P 116E

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App. F. IX-4

Previous References

1937.
(CS)

File No. 49-37
Serial Nos. 1-12

Later References.
9 re. 118-40 Pt-1-4

PRESERVED

GENERAL AND REVENUE SECRETARIAT.

Serial Nos. 12

Part B for Oct 39

SUBJECT.

Formation of a Central Cooperative Society to help the Handloom Weavers in the State

WD 0578—GPB—22,500—12-9-39

Apl 23/10

GENERAL AND REVENUE SECRETARIAT. 2803 2897

(G.S.)

NOTES.

File No. 49-37

FILE HEADING.

Formation of a Central Cooperative Society to help handloom weavers in the State

FROM The Director of Industries and Commerce in Mysore

No. M.-129/37-38 Dated 22-11-37 28-11-37 Received 24-11-37 29-11-37

Diary No. 2803 | Enclos. 9 | Spare copies — | Serial No. 112

BRIEF ABSTRACT OF LETTER

Forwards a reference for starting a Central Cooperative Society for helping the handloom weavers in the State at a recurring cost of Rs 6000/- a year and urges the grant of loan of Rs 25000/- without interest repayable in annual instalments after five years from the Commencement of the operation of the Society

NOTES AND ORDERS.

Cal P

A copy of the G.O passing orders on the proposals contained in Chapter VII of the Report of the Committee on Cooperation is placed below for perusal. The Director reports that for the successful initiation and working of the Central Society it is necessary that Govt should offer assistance to the Society by meeting the administrative charges of Rs 6000/- a year in the initial stages for a period of two years and by granting a loan of

WD 0183—G1

File No. of 193 . General and Revenue Secretariat

Rs 25000/- free of interest to the Society repayable in a period of ~~fifteen~~. from to be fixed after five years from the Commencement of the operation of the Society.

2) It is seen from the extract of the Report of the working of Cooperative Societies for the year 30-6-37 that there were at the end of the year 61 societies of which 16 were exclusively for ~~depressed~~ classes in Travancore & Madras Taluks. Of the remaining 45 Societies for weavers, many are reported to be in a languishing condition and efforts to improve them have proved futile. It is not known how many Societies will be in a position to join the Central Society of Madras. It seems perhaps desirable to get information about the details of working and financial position of several weavers' societies in the State to see how far the existing Societies could be affiliated to the Central Society, before the Scheme is launched. The Survey made by the Industries Dept with the help of an Inspector of Cooperative Societies has not covered the districts of Chittaloor & Tinnevelly. The district of Chittaloor and the Madurai part of Tinnevelly Dt Rag. Handali Dg are Cotton producing tracts and there are still weaving centres also in Chittaloor Dt — e.g. Molakalmuru. The Survey conducted by the Industries Dept might have been extended to these particular

Flag A

This information may be

Serial No.

to see how far the weaver's wants of any. one local locality could be met under the of the Central Society. Without sufficient number of societies, named and prospective, to be affiliated to the central weaver's society it is doubtful whether the Central Society when started will be able to function properly even with paid aid. As regards the question of financing the society it is understood that the Apex Bank has allowed a cash credit of Rs 400000/- to the Burnabon weaver's co-operative society. and it is possible for the Apex Bank with its surplus funds to finance the central society with funds at low rate of interest and easy payment of instalments. The neighbouring Provinces of Madras and Bombay and several other provinces of British India have no doubt paid sufficient encouragement to the development of handloom weaving and there may be great possibilities of a successful working of the central society if started here on the same lines as in Madras or Bombay. But before the scheme is launched upon it seems desirable to find out how many existing societies which

NOTE—Contn. Sheet.

WD 0284—GPB—30,000—13-9-37

Formation of Central Weavers' Co-operative Society

(G.O. 2803 & 2851)

File No. 49 of 1937 — General and Revenue Secretariat

are working fairly satisfactorily, could be brought under the ~~wing~~ of the Central Society. Harmony of the existing Societies which are in a moribund condition could be maintained by the formation of the Central Society and harmony new Societies can be started for developing hand loom weaving as a result of the starting of the Central Society.

3) The Registrar may perhaps be requested to furnish information on all these points and also give his opinion on the proposal forwarded by the Director etc. Labour for weavers

16/12/37

4) Key (d 8/9)

5) Forwarded with compliments to the Registrar Co-operative Societies in view to his opinion early as the proposal is made. B. Rao.

Minister

Key for Chief Sec.

25.

16.12.37

16/12

16/12

No 5241 es dt 6-1-38.

Returned with compliments.

6) The Director of Industries and Commerce convened a meeting on 22-8-1937 to consider the question of starting a Central Society for the Hand Loom weavers in the State. I was also present at the meeting by invitation. It was agreed at this meeting that the Central Society should have only

SECY TO GOVT SELF GO 14 DEC 193

No. no 191 / ea 37-38

16-12-37

Office of the Registrar of Co-operative Societies 17 DEC. 1937 No. 4391

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only ten or twelve primary societies affiliated to it for the present and ~~rather than~~ not to select all the ten societies from the existing societies most of which were moribund or were functioning only as credit institutions. It was agreed that only a few societies which are fairly satisfactory may be taken in and new societies organised in other promising weaving centres for affiliation to the Central Society. Accordingly investigation was conducted jointly by the Weaving Inspector and an Inspector of Co-operative Societies in 17 centres in five Districts. Thus the more distant Districts of Shimoga, Kadur and Chitaldrug have been omitted at present. They may be included later on if the scheme succeeds and the central society expands. Of the existing societies, I am of opinion that only the Bangalore, Mysore and Melkote Weavers Societies can be taken in and of the 17 other centres now investigated, my idea is to have societies which are near enough to Bangalore or which are otherwise easily accessible, in order to enable the Department to have a careful watch and an effective control over the working of the societies. I think nine primary societies besides the Bangalore, Mysore and Melkote societies is an adequate number to begin with and these can bring sufficient business to the Central Society to start with. The nine places ~~I would~~ select both an account of nearness to Bangalore and facility of approach ~~and on~~ after an examination of the results of investigation conducted, are:-

1. Chikballapur
2. Vadigenahalli (Devanahalli Taluk).
3. Anekal.
4. Ramasamudra (Chamarajnagar Taluk)
5. Kikkeri (Krishnarajapet Taluk).

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6. Keralapur (Arakalgud Taluk)
7. Basavapatna (do.)
8. Kallur (Gubbi Taluk)
9. Annapur (Tiptur Taluk).

NOTE—Contn. Sheet.

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2803 \ 2817

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These 12 societies, it is estimated would require raw materials to the value of Rs.1,50000/-. Thus the Central society can be expected to have a sufficient demand from them.

7) Of these 9 places, societies are now existing in 4 which have to be revived and improved and new societies will have to be organised in other places. As regards the financial assistance, Government assistance to the extent proposed by the Director of Industries and Commerce may be necessary to work the scheme successfully. The raising of a cash credit from the Apex Bank as in the case of the Bangalore Weavers' Co-operative Society will not be of much help to the Central Society. If the loan cannot be made entirely free of interest, it may be kept as low as possible say at 3% to 4% as suggested by Mr. Subbarama Setty at the meeting referred to above.

8) Details in respect of the 61 existing societies are as follows:-

9) They had at the end of 1936-37, a membership of 2,359, a share capital of Rs.58,970, deposits amounting to Rs.22,352, a reserve fund of Rs.46,106 and a total working capital of Rs.1,59,161. Some of these societies are defunct and a major portion of the rest of the societies are working only as credit societies.

9) The existing societies failed on account of the weavers not keeping pace with the advance in designs, and in their not finding a ready market for the articles manufactured by their members. If these two essential requirements could be supplied by the Department of Industries and Commerce, the Scheme is expected to work well.

8/1/38

Registrar of C.S.

2897

eneral and Revenue Secretariat | 65 File No. 49 of 193 | [App. F. III—2

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10) The main features of the scheme as outlined by the Director and later modified by the Registrar are :-

1) A Central society has to be started with 12 primary societies affiliated to it

2) An advance of Rs 25000/- at 3% or 4% which if not practicable to be given to the society repayment commencing after five years from the operation of the society.

3) Working expenses of the society amounting to about Rs 6000/- p.a to be met by Govt for two years in the first instance.

11) From the proposals sent by the Director it is seen that the shares will be allotted to Weavers' Societies in the State and to individuals and firms interested in the handloom industry. It is not known whether the "individuals and firms" are to be confined to the Mysore State. If it is so the words "in the Mysore State" will have to be inserted after the word "firms". Whether individual membership should be confined to professional weavers only or should be open to cloth merchants is a point to be considered. In this connection the weavers of Bangalore city forwarded Registered a petition in Sept 1936 representing

NOTE—Contn. Sheet.

WD 0294—GPB—30,000—13-4-37

Finalisation of a scheme
Weavers' Cooperative Societies

8 2897

bf File No. 69 of 1937. General and Revenue Secretariat

that the Capitalist merchants who have been members of the B'lore weavers' society are not allowed to continue and agreement that they may be excluded from the governing body. This petition was forwarded to the Registrar Co. for disposal. Another petition has been received in July 1937 making allegations against Mr. B. L Venkatappa President of the B'lore Weavers' Society and the petition has been forwarded to the Registrar Co. for a report. Flag K (Cooperative file bf 3-37 Dr 2813)

12) In connection with the proposal for starting an Aarea marketing society it has been stated in the note of the Registrar that the Aarea growers are opposed to the inclusion of the merchants ~~class~~ in the membership as they will try to utilise the society to their own advantage and to the detriment of the Aarea growers. File both separately

13) The restriction of the qualification for the Directors to persons ~~who~~ holding 20 shares or (Rs 5000/-) will perhaps exclude the ~~Aarea~~ ordinary and middle class weavers and will only facilitate the getting in of rich merchant class. and this restriction would be uncooperative in character and would be non in consonance with the principle of joint stock

Formation of a Central Weavers' Cooperative Society

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LF 2813

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Companies. The maximum number of shares to be owned by an individual is fixed at 200 which seems rather too high. It is also seen that no maximum limit is placed in regard of society owning shares of the Central Society

14) The Director etc has however stated in Para 4 of his letter (P.U.D.I) that suitable by-laws will be drawn up in consultation with the Registrar of Co. for the Central Society as well as primary producing societies and submitted for approval. It seems perhaps desirable to clearly enunciate some of the principles mentioned above prior to the starting of the Society so that difficulties may not arise when once the scheme is put in operation Submitted for orders

12/1/38

15) The scheme is submitted after an examination of the question as it exists in the other provinces of Br. India. The Registrar of Co. has also agreed with the min. of 10 Co. in all cases or joins.

16) It does not seem desirable however to admit Merchants who own Power looms or Silk goods, or those who are interested in the sale of Khaddar goods, to membership of the

NOTE—Contn. Sheet.

WD 0284—GPB—30,000—13-9-37

Society; at any rate they have to be strictly kept out of the governing body as their interests militate against those of the poorly circumstanced Hand loom Weavers. With regard to the Bangalore City Weavers Co-op. Society - there are already complaints against some of these merchants who are on the directorate. The grievance seems to be legitimate. It seems necessary that whether there be any justification or not for such complaints, even a suspicion in the minds of the Constituent Hand loom Weavers that their interests are being jeopardised, has to be avoided. What the institution may lack in business experience or methods if the directorate be to be manned by only the Hand loom Weavers, will be made good by the official Director, the Technical Assistant & the Marketing Officer as official. The same reasoning is behind the proposal to shut out the Area Trustees of Shimoga from the proposed Area Marketing Society.

17) The restriction that a person should have at least 20 shares to qualify him for election to the Board seems to be against the

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Spirit of Corporate Institutions, and it would also help towards the management & thing into the hands of a few wealthy & powerful persons. I seem desirable to remove this provision, and to leave it to the Constituents themselves to elect persons in whom they have confidence. As in Madras, - except for the official Directors -, the entire personnel of the Directorate may be furnished by the Elected representatives of the proposed 12 Societies.

18) Arrangements may perhaps be made for supply of yarn through the Primary Societies, by a guarantee given by the Central Society to the yarn producing Concerns such as the S.I.R.A. Mills, Silk Weavers, &c. This system is working in Madras.

19) In the Regr. of Cs. states at the last para of his U.O. note, inspite of the Govt. aid in various ways, the Society may not be a success unless a proper system of marketing the finished goods is organised, and unless the producers do not keep abreast of the demands of the Market, as to ways of new patterns, designs &c. The Marketing Agency may keep

NOTE—Contn. Sheet.

WD 0284—GPB—30,000—13-4-37

Formation of a Central Weavers' Co-operative Society
L.C. 1

File No. of 1937. | General and Revenue Secretariat

the producing agencies informed by issue of periodical circulars about the needs of the buying public, and the Technical Assistant & designs will have to put the producers in the way, regarding manufacture of just such goods, without delay, before market conditions change.

SECY. TO GOVT. 15 JAN 1938 GOVT. OF MYSORE.

2) & subvention of Govt. of Rs 6400/- per annum, ~~payable in addition to nominal rate of interest~~ for the initial two years to meet the establishment charges, and a loan of Rs 25,000/- (twenty five thousand rupees) (at nominal rate of interest), towards working Capital, - Repayments to commence five years after the institution has commenced work, - are the terms required by Govt..

(Secy. to G.S.S.)

15-1-38.

19-1-38

OFFICE SECOND MEMBER 19 JAN 1938

19-1-38

21) (II member)

22) There is no doubt that the ~~industry~~ handloom industry requires special assistance and encouragement. The scheme sent by the Director &c

Formation of a Central Hand Loom Weavers Co-operative Society

2803/2897

13

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in consultation with the Registrar of Co-operative Societies is framed on lines which have been recognised as suitable elsewhere in India. The proposals may be generally approved & the details left to be settled by the Govt Dept

RLW
20/1/38

Govt
20.1.38
IG
20-1-38

23) The proposals of the Director involve the grant of a subvention of Rs 5400/- a year for a period of two years in the initial stages and a loan of Rs 25000/- without interest repayable in specified number of annual instalments, repayment commencing after the Society has been in operation for five years. The file may be sent to the Joint Secretary also for perusal of the orders of the II Member above

20/1/38

24) Secy (L&G)

IG
20-1-38.

Govt
20.1.38

25) P(Secy)
WC

IG
20/1

26) The proposal is to start a central co-operative society for the Hand loom weavers in the State with 12 primary societies affiliated to it. The main functions of the Central Society are reported to be:-

(1) supply of raw materials at advantageous rates

NOTE—Contn. Sheet.

...20.8.1
26 JAN ...

direct from the Mills as far as possible;

(2) Provision of facilities for marketing the products of the several producing societies;

(3) Supply of new designs, provision of facilities for supply of sized warp yarn etc.

27) The Registrar has stated that the existing societies failed (1) on account of the weavers not keeping pace with the advance in designs, and (2) in their not finding a ready market for the articles manufactured by their members, and that if these essential requirements could be supplied by the department of Industries and Commerce, the scheme is expected to work well.

(1) is an item of work arranged for by the Industries department even now. The second item of work will not be difficult, if there were to be fair margin between the cost price and the selling price in the market. This work as well as supply of raw materials at advantageous rates could be done through the agency of the large number of societies now existing. The formation of new societies or incurring further expenditure will not help the weavers, unless the cost of production is brought down so that there may be sufficient margin of profit with reference to the current selling price. The failure of most of the societies is due to this reason and more urgent action seems to be called for in this matter. If this margin is not forthcoming, Government aid in the manner suggested will be of no avail.

28) The commitments of Government with regard to the proposed central society are:-

(1) Sanction of a loan of Rs 25,000 free of interest to be repaid by annual instalments after the society has

35) This may be regarded as the upper limit. The actual amount would depend upon the number of societies and the business at any particular time

MG

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worked at least for 5 years.

(2) Subvention of Rs 6,000 a year for 2 years.

29) With regard to (1), it is to be stated that the loan granted to any society should be regulated with reference to the financial position of the society and the share capital actually raised by it. According to the Co-operative Society rules, this should not exceed five times the paid up share capital of the society at the time of the issue of the loan and twice the paid up capital two years thereafter. The report of the Director is silent as to the number of annual instalments in which the loan is to be repaid and the basis on which it is held that the society will be able to repay the loan to Government within the prescribed period. Information on these points is necessary. Sanction of a loan free of interest is not in accordance with the rules and is not desirable and is not financially acceptable. Interest at 4½% or 5% at least has to be charged on it and the amount of loan should bear the prescribed proportion to the share capital which serves as the security.

30) The subvention of Rs 6,000 is on account of the following items of expenditure:-

(1) Pay of Secretary at Rs 75/- p.m.	900
(2) Marketing officer at Rs 75/- plus Rs 50/- T.A.	1,500

31) may be called for.

NOTE—Contn. Sheet.

WD 0284—GPB—30,000—13-8-37

16

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(3) Supervisor of primary societies at Rs 50 p.m.	600
(4) Designer at Rs 50 p.m.	600
(5) Weaving demonstrator	600
(6) Clerical staff etc.	1,800
Total	6,000

31) The proposed establishment charges are very excessive, and whether the society will be able to meet these charges out of profits, even after two years is highly problematical.

32) It is stated that the services of a demonstrator (Rs 50 a month) will be placed at the disposal of the society out of the sanctioned scale of establishment of the Industries Department. Corresponding savings in other items of recurring expenditure have not been pointed out for the balance of Rs 5,400 as required in Circular No. 32316-374 dated 9th July 1937. Government are already spending a large amount on account of demonstration and experiments and any extra expenditure which may be required for this society has to be found from the grant already placed at the disposal of the department.

33) There may not be need for a whole-time Secretary, Supervisor, Designer etc., particularly in the initial stages and the work connected with the central society may, I think, be managed with the aid of the existing staff of the Industries and Co-operative departments, allowing small extra allowance if necessary, till the

37) Is it not possible to absorb some more demonstrators as a part of the cost of the weaving institute in this scheme as it develops?

Formation of a Central handloom weavers' Co-operative Soci

17

Serial No.

S. ... INCIL,
16 APR. 1938
9772

society earns sufficient profits and found able to meet these charges.

33a) From the forecast of the next year's Budget estimates, it will be seen that the Revenue account is likely to result in a large deficit even ignoring the provision required for new schemes, and the intention of Government is that all possible attempts have to be made to present a balanced budget. The possibility of finding funds for this subvention in the next year's budget is therefore very doubtful. In any case, the proposal may be noted for consideration at the final budget time when only we will be able to know the funds, if any, which can be made available for new schemes, and the new schemes in th several departments, requiring provision in the order of urgency.

14/4

34) 11 members)

35) The Fin Deptt may be requested to note this for consideration at budget time and the Secretary IRC asked to give further information on the points raised

17/4/38

39)

18/4/38

NOTE—Contn. Sheet.

WD 0284—GPB—30,000—13-8-37

Formation of a Central Weavers' Co-op

18 2803 (289)

File No. 49 of 1937. | General and Revenue Secretariat

20) Dft letter to the Dir Ite is submitted for approval. After issue the file will be sent to the Fin Branch for noting this item for consideration, and returning the file.

20/4/38 41) Issued 21/4

DS187 dt 22.4.38 fr the Dir. of Ite 3
Calls for information re. the no of annual instalments in which the loan is to be repaid and the basis on which it is held that the Society will be able to repay the loan &c. and also re. establishment charges.

29) Financial Branch for kindly noting the minute of the Dy Mr and returning the file

30/4/38 J (Bri) 63) Noted & returned.

30/4 Issued

Letter No Mu-4157/2/9/37-38 dated 10-5-38 from the Dir Ite furnishing the information called for and requesting sanction to the following

41) The Director states that, in view of the working capital of Rs 5000/- now available, a loan of Rs 25000/- which will be free from the paid up capital may be granted

MVRS

Organisation of a Central Home Loan Weavers Co-op Society

2897 J6376

Serial No.

OFFI
SECOND MEMBE
19 MAY 1938
No. 8783

and that the loan will be returned in ten annual instalments commencing from the 6th year after the date of sanction of the loan.

45) As regards staff the Director state that what he suggests was the minimum and it would be false economy to start the work with inadequate staff. He has not stated anything about the absorption of the men in the Weaving Institute or the Scheme develops.

Re. the statement at the end of the first para of the letter of the Director it is stated that it is the Apex Bank that have allowed a cash credit of Rs 60000/- to the B'lore Weavers' Society and that Govt have not guaranteed the society's borrowings. It seems desirable to get these proposed bye-laws scrutinised by the Registrar before they are finally submitted. The main features of the proposed scheme have been stated in Para 10 above.

Submitted for orders

13/5/38

46) (Secy - C.S.G.)

47) Refer para 38

(1 Member)

48) 19/5/38

49) Please ascertain from the Director whether he proposes to come to Bangalore for the meeting

SECT. GOVT. 18 MAY 1938 GOVT

File stands separately with Govt. 619

NOTE—Contn. Sheet.

WD 0281—GPB—30,000—13-8-37

Central Hemlock Weavers' Cooperative

20

6376 & 6711

Bs File No.	49	of 1937.	General and Revenue Secretariat

50) Subst. Financial Branch with compliments for Min. of Com. Communicating the decision arrived at on this question at Council this

20/5/38 51) This was included in the consideration list. But provision was not allowed in Council.

To. The Subst: Dev: Br: We)

23/5/38 52) It is also that no provision was made in the Budget for 1938-39 for this Scheme. Put order with a draft letter to the Registrar Co.

28/5/38 53) Issue & submit

28/5 Issue & Subm.

No. D8888 of 26.5.1938 To the Registrar of C.S. for. a Copy of the draft bye-laws for the proposed Society and call for remarks thereon

54) Resubmitted as directed above

28/5/38 55) Ref. to Para 49. Supra

28/5

Secy - L.S.G.)

56)

1638

8/6

GEN. & REVENUE SECT. DEVELOPMENT BR.

TYPING

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6 No. D 10205 dt 30.5.38 from the Registrar C.S.
Stating that the bye laws contain many inherent defects & that therefore he has taken up preparation of the same afresh and promises to submit the same in the course of the week.

No. 4.129/27.35 dt 11.8.38 from the Dy. D. C. quoting order of Govt. sanctioning the proposals.

5/7) Note: reminder to the Registrar C.S. ~~Dated~~ together with a copy of letter dt 15/8/38 to the Dy. D.C. ~~that~~

15/8/38

5/8) Issued Memo No. 1678 dt 16/8/38 returning the bye laws received with Registrar C.S. letter dt 15/8/38.

7 Letter No 2719 dated the 23rd August 1938 from the Registrar Co. forwarding a copy of the bye laws prepared by him in accordance with the provisions of the Co. Act and the principles of Co-operation

5/9) The Registrar has revised the bye laws sent by the Director etc by removing certain features which are not in accordance with Co-operative principles

(10) The following is the summary of the scheme as submitted by the Director etc :-

1° A Central society for weavers consisting of individuals and societies should be started

NOTE—Contn. Sheet.

92

F37 5 10-16

File No. of 193

General and Revenue Secretariat

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with an authorised Capital of Rs 1 lakh divided into 4000 shares of Rs 25/- each.

2) An advance of Rs 25000/- at a low rate of interest if not free of interest repayable in ten annual instalments Commencing from the sixth year after the date of the sanction of the loan

3) Subvention of Rs 6000/- to be granted to the Society for working expenses in the first two years the administrative charges being as detailed below

(a) Secretary Rs 75/- p.m.
(b) Marketing officer Rs 75/- p.m. + Rs 50 T.A
(c) Supervisor of Primary units } Rs 50/- p.m.
(d) Weaving Demonstrator Rs 50/- p.m.
(e) Dresser Rs 50/- p.m.
(f) Clerical staff etc Rs 150/- p.m.
Rs 500/- p.m. or Rs 6000/- p.a.

The weaving Demonstrator is proposed to be spared from the Department of Ind. The net charges will thus be Rs 5400/- per annum

61) In Para 37 of the Note it was suggested by the Hon'ble Member whether it was not possible to absorb some more demonstrators and a part of the establishment of the Weaving Institute in this scheme as it develops. The Director of Ind who was asked in this matter has not furnished any reply to it but has simply stated that every effort has been made to keep down the cost to the minimum

837 Stores

General and Revenue Secretariat — File No. 49 of 1937. — App. F. III-2

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62) In the budget for the current year there is a provision of Rs 10,000/- only for the grant of loans to Co-operative societies. The proposal of the Director to grant Rs 25000/- as loans to the Society will mean an additional grant to that extent under Loans to Co-operative Societies. ~~[illegible]~~ as any reappropriation from other heads for this purpose may not be possible.

Page 237 ante

63) The recommendation of the Director etc for the grant of a loan of Rs 25,000/- to the proposed Provincial Handloom Weavers' Society, and a recurring grant of Rs 5400/- (exclusive of the deputation of a Demonstrator on Rs 50/- from the Ind Dept) are submitted for orders.

64) The note required by the Member will be submitted.

30/8/38

(Secy & S.S.(I))

87.8.38.

65) Yes, please. Put up a draft calling for all the information required by the member. This should have been done before

31/8/38

66) Draft letter to the Dir Ind is submitted for approval

31/8/38

67) Issued.

1/9

No. D 1568 of 3.9.38 to the Dir. of Ind calling for the information.

TYPING SECTION 1 SEP. 1938 GEN. & REV. SECTT.

GEN. & REVENUE SECRETARIAT NOTE Confd. Sheet. DEVELOPMENT BRANCH.

Central Hand Loom Weavers Cooperative Society

1046 / 1581

29 / 68 File No. 49 of 193 7. | General and Revenue Secretariat

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Letter No M6 - 129 of 37-38 dated 15/9/38 from the Dir I&C furnishing the information called for.

SECOND MEETING OF COUNCIL
22 SEPT. 1938
No. 2178

68) The Director reports that it is not possible to absorb the other staff of the Weaving Institute in the scheme in the earlier stage. and that the income by way of Commission to be received on the raw materials Purchased and the finished products sold, is expected to be about Rs 25000/- p.a. and that the Society can easily repay the loan.

The scheme as forwarded by the Director I&C is summarised in Paras 60 and 63 above. If the proposals are sanctioned an additional grant of Rs 25000/- under "Loans to Cooperative Societies" and Rs 5400/- under "29. Cooperative Societies" will be required. Submitted for orders

19/9/38

165 / 20-9

Secy (L.S.G.)

69 Vide paras 35 to 38

SECY. LOCAL DEPT. 20 SEP GOVT COPYRIGHT

22.9.38

II Member) 118 / 22-9

70) Please note details of the present establishment of the

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handloom weaving establishment of the Dept of Ind &c.

27 T 9 / 38

27 9 35

71) There are 12 Weaving Demonstrators and 11 Weaving Maistries distributed as follows.

Weaving Demonstrators.	Weaving Masters.
6 working in 6 Districts	8 working in 8 Districts
1 Lady Demonstrator.	1 to assist the Lady Demonstrator
1 Research Demonstr.	1 Weaving Maistry
1 Mechanic. —do—	1 Dyeing Maistry
1 Dyeing —do—	11
1 Weaving —do—	
1 attached to Velanangala School.	
12.	

72) 5 Demonstrators +3 maistries are attached to the Govt weaving Institute.

9 Demonstrators are permanent.

7 Maistries are also permanent

73) The rest are temporary.

Subd— with reference to the Member's remarks in para 70 above, 74) Please see page 5 at ante also—

NOTE—Contn. Sheet.

WD 0544—GPB—30,000—2-9-83

X 11038

Central Handloom Weavers Co-operative Society

156/D

CS File No. 49 of 1937. | General and Revenue Secretariat

75) There are two scales of pay to Demonstrators viz. 3 Demonstrators on (70-6-100) and 9 on 50-4-70. The scale of pay of Maistries is 25-2-35.

76) The six Demonstrators working in Districts and the six maistries under them get an F.T.A. of Rs 16/- and Rs 8/- each respectively. The two maistries working in the Kadur & Shimoga Districts get an allowance of Rs 10/- each p.m. No enhanced allowance was recently sanctd.

Refer para 74. Asst Secy's note.

MMJ CS 12/10/38

77) It is for orders whether this file may be laid aside with the note of Mr. Hunting after the return of the Dist & Headquarters. As the question of Starting of Central Society (involving in the absorption of home weaving demonstrators) is in a way connected with the report regarding the Weavers' Industry and its analysis matter with the Technological

Labour

78) For orders

Govt. Labour

79) This file was laid aside along with the note of Mr Hunting to the Director of Weavers' Industries & Technological Institute, Bangalore. Put up after the return of the Dist. Officers from their Headquarters.

Secy Local Self Govt of Mysore 13 OCT 1938

Gen. & Revenue Secretariat 12/10/38

Govt Bill Development Board

Secretariat Branch 13 OCT 1938 No. 2641

Labour 13 to 38

Labour 18/10

Labour 18/11/38

Govt 18/11/38

Tele { Phone 211—City. Grams—Induscom.

In reply please quote No. date and brief title

Cs 49-37-3465

DEPARTMENT OF INDUSTRIES AND COMMERCE

GEN. REVENUE SECTT. * 28 DEC 1938 * DEVELOPMENT BRANCH.

From (Name) M.S.Ramchendra Rao, Esq., B.A.,

Designation Director of Industries & Commerce in Mysore, Bangalore.

Station

To

P.H.Krishna Rao, Esq., B.A.,
Secretary to the Government of Mysore,
Development Department, Bangalore.

No. M4-129/37-38 Dated 22nd December 1938

Encl

Spare copies.

SIR,

Subject:--Central Handloom Weaver's Co-Operative Society.

****

I have the honour to invite a kind reference to this office letter of even number dated the 15th September 1938 and to request you to kindly obtain the very early orders of Government on my proposals thereon.

I have the honour to be
Sir
Your most obedient servant

M S Ramchendra Rao

Director.

L.R

NOTES AND ORDERS.

It has been ascertained that the no B.W. Munty has been transferred to the Education Dr for further action. The Education Branch may kindly be requested to put up the file which is required for reference.

Edn Br)- for kind compliance. 18/1/39

Hdlo 18/1

Edn Br

2326

GEN. REV. SECTT. * 1 JAN. * DEVELOPMENT BRANCH.

Es file 135-38-131 is put up here-with. RB 19.1.39. MR 19/1

NOTES—First Sheet

WD 0283—GPB—3,750—25-1-38

86) It is hereby stated that the question of starting the Central Handloom Weavers' Society was ordered to be taken up with the reorganisation of the Weaving Institute and the Weaving Demonstration staff to enable absorption of some of the Weaving staff into the scheme. It is seen stated that the question of reorganising the Weaving Demonstration staff has been ordered to be taken up at earlier time and the question of amalgamation of the Weaving Institute with the Technological Institute is under the consideration of the Board of Management of that Institute

Jeaf R

* File Circular.

87) In his letter, dated 28/9/38 on the question of strengthening the Weaving Demonstration staff the Director has stated that the Weaving Demonstration work had to be distributed all over the State in about 140 important centres and that the centres in which it is intended to start primary weavers' societies to be affiliated to the Central Weavers' Society are also included in the list

May S

88) As the proposals of the Director for the amalgamation of the Weaving Institute with the S.K.S.T. Technological Institute are under examination by the Technological Institute Committee and the question of the reorganisation of the Weaving Demonstration staff has been ordered to be taken up at earlier time it is for consideration and orders whether the scheme of starting the Central Handloom Weavers' Society in which some of the

Scheme for starting Central Hand Loom Weavers' Society

1581 / 3465

General and Revenue Secretariat | G. File No. 169 of 193 9. | [App. F. III–2

Serial No.

Wearing demonstration staff is proposed to be absorbed, be taken up along with those questions or whether the question of starting the central society should be dealt with independently of the other questions submitted with reference to Paras 70 & 88 above

28/1/39 89) Secy L.S.G. 28/1/39

90) may be taken up at Bombay along with the other questions mentioned in para 88

99) 11 member) 26.1.39

100) I shall discuss this with the Rajah

101) D.F. Matters regarding

102) Draft Letter. It is also for consideration whether the file may be sent to the I Member for information as the question is in a way connected with the Dept of Ind.

28/1/39

103) Secretary L.S.G.)

104) Note - This will be considered when 28/1/39 the matters are taken to I member

Memo No D 2071 dated 30/1/39

30/1/39

NOTE OF THE SECOND MEMBER OF COUNCIL. 26 JAN. 1939 No. 6903

LOCAL SELF GOVT. TYPING SECTION GEN. & DEPT. SECTT.

Starting a Central Hand-Loom Weavers' Society

30

341 J 4235 J 5373

File No.	of 193 7.	General and Revenue Secretariat
		Serial No.

165) It was decided that this may be circulated to the Members of the Board also to the Members when they return from tour.

Do
3.2.37

4/2/37

Letter No M4-129/37-38 dated 31-1-37 from R the Director of Industries regarding early action in the matter of starting the Central Hand Loom Weavers' Society

Asst Secy's order on the P.O.D

"References early" 2nd Feb. 37/2/37

The connected file is called herewith for perusal. Office reply to the D.I. is in accordance with the orders in Para 105 above & is sent for approval

Sd/-
6/2/37

Done 10/2/37

Sd/-

No. D 7306. B.S. 2.37. To the Dir. of Ind. 10

Requests him to discuss the question with the Second Member early.

TYPING 8 FEB 1937 GEN. & REV.

GEN. & REVENUE SECRETARIAT 15 FEB 1937 DEVELOPMENT BRANCH.

Papers sent to Board on 6-3-37 till the end of Feb 37

Sd/- 15/2

S 37 3 S 55 20

1939.
37

General and Revenue Secretariat — File No. 49 of 1937. — [App. F. III—2

Serial No.	
11	Letter No M4-129/37-38 dated 24/3/39 from the Director IIC stating that his proposal may be treated as cancelled The Director has stated that he is forwarding a revised scheme to assist the handloom weaving as one of the activities of his Dept. and requests that his previous proposal be treated as cancelled. A draft letter to the Registrar stating that the proposal to start a Central Handloom Weavers' Society be considered as dropped is laid for approval Sec'y L.S.G. Hd 25/3/39 MV 27/3 For approval Hd 27.3.39 Issued Hd 28/3/39
12	No. D 8544 & 4.4.1939 to the Registrar stating that the proposal may be considered as dropped for the present No D 8545 & 4.4.1939 Addl. Secy to the Dev. & I.C. for information Education Branch for kindly taking the linked file and returning this file Please do note in the linked file Hd 5/4/39 Dev. Branch

TYPING SECTION 30 MAR 1939

GEN. & REVENUE SECRETARIAT. 10 APR. 1939 DEVELOPMENT BRANCH.

NOTE.—Contin. Sheet.

WD 0511—GPB—30,000—2-9-38

8/4/39
10/4/39

Starling v. Central Handloom Weavers' Society

File No.	165	10:4V1587 of 193 .	General and Revenue Secretariat

Returned to the A & J. Branch. Orders have issued in G.O. No. S. 2006-9/34-298-38-4 dated 6th October 1939 sanctioning the scheme of rendering assistance to the Handloom weaving industry in the State. (Copy of G.O. has been sent separately)

[redacted]

14/10.

A & J Br)
07
17/10.

GEN. & REV. SEC
* 16 OCT. 19[illegible]
AGRI. & FOREST B

G.D.
* 22 Oct NOV. 1939
AGRI. & FOREST BRANC

Telegraphic Address "[illegible]OM."

GOVERNMENT OF MYSORE

DEPARTMENT OF INDUSTRIES AND COMMERCE.

In reply please refer to
No. M4-129/37-38
Encl. 9

OFFICE OF THE DIRECTOR,

Dated Bangalore, 21st November 193

2503 SEC. & REV. DEPT. 25 NOV.

FROM

M.S. Ramchendra Rao, Esq., B.A.,
Director of Industries and Commerce in Mysore,
Bangalore (India):

To

M.Venkatanaranappa, Esq., B.A.,
Secretary to Government of Mysore,
Development Department,
Bangalore.

SIR,

Sub:- Formation of a Central Co-operative Society to help handloom weavers in the State.

I have the honour to address Government in the matter of adopting adequate measures for improving the handloom industry in the State. As Government are aware, the problem of improving the lot of the handloom weaver is of an extremely pressing nature. The industry has been considerably weakened by foreign competition as well as by local competition set up by mills and power looms, and unless reinvigorated by the creation of a central co-ordinating machinery, the future of the industry would be in jeopardy. If timely and organised assistance is given, there is every possibility of the industry becoming prosperous in spite of the keen competion by power looms etc., as handloom woven cloth has certai advantages in respect of variety of designs, weaving qualities etc., over the mill-made cloth.

With a view to formulating concrete proposals in this respe I discussed the subject with the Registrar of Co-operative Societies several prominent yarn and cloth merchants in Bangalore. The position of the handloom weaving industry in the State and the various disabilities under which it labours were examined. A study was also made of the action taken by the Provincial Governments of Madras, Bombay, Bihar and Orissa etc., in the matter of resuscitating the industry within their

their respective jurisdictions. A copy of the proceedings of the Eighth Industries Conference which contains, in brief, information about the activities of the several Provincial Governments in this direction is enclosed for the information of Government.

After a careful consideration of all the aspects of the question, it was agreed that the creation of a Central Co-operative Society for Handloom weavers on the lines of the Madras Provincial Co-operative Society for handloom weavers was by far the best way in which the industry could be put on a satisfactory basis. The functions of the proposed society would be as follows:-

1. Supply of raw materials, such as grey and dyed yarn at advantageous rates direct from the Mills as far as possible.
2. Provision of technical assistance demonstration and supply of improved weaving appliances.
3. Supply of new designs etc.,
4. Standardisation of fabrics woven on handlooms wherever possible.
5. Provision of facilities for supply of sized warp yarn and for finishing and calendering the fabrics by utilising the resources of the Government Weaving Institute.
6. Provision of facilities for marketing the products of the several producing societies affiliated to the central society.

In this connection I would invite a kind reference to Order No.D2433-38-CS 11-36-165 dated Bangalore the 21st September 1937 containing observations of Government on the recommendations of the Chandrasekhara Iyer Committee on Co-operation. In the para referring to weavers societies the Government have been pleased to remark that "it is only when a sufficient number of primary weaving societies have been formed and brought into working order that the question of establishing a " Central Society for weavers will arise." There are at present 69 handloom weavers co-operative societies in the State. But most of them are in a moribund condition, due in some degree to the absence of a central co-operative machinery. Hence it is believed that it is extremely urgent to constitute a central society with a few of existing societies affiliated to it. But it is proposed to affiliate, to begin

begin with, only such of the existing societies as can be placed on a satisfactory working basis and also to establish new primary societies in areas where there are no societies at present but where the chances of success are good. With this idea in view I have already started a survey of some selected villages, shown in enclosed list, by the Weaving Inspector attached to the Government Weaving Institute and an Inspector of Co-operative Societies kindly deputed by the Registrar of Co-operative Societies, in order to find out ten or twelve suitable places for establishing primary or producing societies. It is proposed to affiliate only ten or twelve primary societies to begin with to the Central Society.

For the successful initiation and functioning of the Central Society, it is necessary that the Government should offer assistance to the Society by:-

(a) meeting the administrative charges in the initial stages, and

(b) grant of a loan free of interest, towards a portion of the working capital necessary for its successful functionin such loan being repayable by annual instalments after the Society has worked for at least five years.

After a detailed examination of the staff necessary for the working of a society, it has been calculated that an annual grant of Rs.6,000/- is necessary to meet the administrative charges as per details below:-

1. Secretary: Rs.75/- per mensem.
2. Marketing Officer: Rs.75/- per mensem plus Rs.50/- T.A.
3. A Supervisor of Primary Societies: Rs.50/- per mensem. He may be an Inspector of Co-operative Societies.
4. A Weaving Demonstrator: Rs.50/- per mensem.
5. A Designer: Rs.50/- per mensem.

Total: Rs.350/- per mensem

i.e.,: Rs.4,200/- a year.

Including clerical and menial staff, the expenses may be taken as amounting to Rs.6,000/- a year.

As regards working capital, a sum of Rs.25,000/- would represent the minimum advance to the Society at the outset.

I therefore request you kindly to obtain orders of Government sanctioning an outright grant of Rs.6,000/- annually for a period of

two years to be utilised for meeting the administrative charges of the Central Society, and also for sanctioning a loan of Rs.25,000/- without interest, repayable in a specified number of annual instalments to commence after the society has been in operation for five years.

With a view to minimising the administration charges, I propose to spare the services of a Weaving Demonstrator from this Department his pay and allowances being borne by the Department itself. If this is approved, the grant required from Government would be reduced to Rs.5,400/-.

A copy of the draft prospectus for the proposed Central Society, enclosed herewith.

Suitable bye-laws will be drawn up in consultation with the Registrar of Co-operative Societies for the Central Society as well as for the Primary Producing Societies and submitted for the approval of Government in due course.

I also submit herewith for the information of Government a copy of the annual report of the Madras Hand-loom Weavers' Provincial Co-operative Society, Ltd., for the year 1935-36 and copies of News cuttings etc., as noted below, giving information about the various schemes for developing cottage and small scale industries in the United Provinces and the Madras and Bombay Presidencies.

* List of News Cuttings.

1. "Industries in Cottages - U.P. Expert's proposals - "The Hindu" dated 2nd November 1937.
2. "State Aid to Khaddar - Bombay Government's lead" - "The Hindu" dated 22nd November 1937.
3. "Helping Small Industries" - Bombay - Extract from the "Capital" dated 11-11-1937.
4. "Importance of Hand Loom Industry in India - Extract from the Leader "Lancashire and India" appearing in the "Hindu" of 20-11-1937.
5. "Handloom Weavers' Co-operative Society - Meeting" - Extract from the "Hindu" dated 7-11-1937.

I request you kindly to obtain early orders of Government sanctioning my proposals. On receipt of such sanction I shall work out full details of the scheme and submit the same to Government.

I have the honor to be,
Sir,
Your most obedient servant,

[illegible]

HANDLOOM INDUSTRY.

REPORTS ON THE OPERATION OF THE SCHEMES FOR THE DEVELOPMENT OF THE HANDLOOM INDUSTRY IN THE VARIOUS PROVINCES.

Madras.

(30th June 1936).

The scheme of the development of handloom industry, as appr by Government, contemplated the formation of a provincial co-operative society and a number of primary production societies composed of weavers affiliated to it. The subvention of the Government of India was utilised in giving help to the Provincial Society. The primary societies were to be given a subsidy to cover the cost of their staff and to purchase appliances. The scheme provided for the supply of raw materials by the Provincial Society to the primary societies for production and for the sale of finished goods. Provision was also made for the appointment of a Secretary, a Marketing Officer, a Cloth Designer and five Marketing Agents to work under the Provincial Society. The agents are to assist the primary societies in marketing their output, while the marketing officer is to coordinate the work of the marketing agents, secure forward contracts from wholesale dealers of cloth and pass them for execution to the Marketing Agents. The scheme also provided for the introduction of small units of machinery for preparing and distributing ready made warps which would prove the way for the standardization of handloom products and thereby ensure their marketability.

2. The Provincial Society was registered in April 1935 and started work in August 1935. The Secretary and the Marketing Officer were appointed in September 1935 and the Marketing Agents (styled as Supervisors) in October 1935. The Cloth Designer was appointed only in April 1936.

3. There were 39 weavers' societies in existence when the Provincial Society was registered. Most of them were merely credit societies doing very little production work. Of these, 30 were converted into production societies during the course of the year and 13 societies were newly organized for production, during the year.

4. The weavers are generally poor and they have no funds to purchase the raw materials required for weaving. The first thing that the Provincial Society did was to arrange for the supply of raw materials to the societies; five mills agreed to supply yarn to the societies on the guarantee of the Provincial Society. The mills allow credit for 30 days and the extent of guarantee given by the Provincial Society is fixed on the recommendation of the local Deputy Registrars. If the societies are unable to pay the price of yarn within 30 days, the Provincial Society advances the sum and charges interest at 6 per cent. The amount of guarantee given by the Provincial Society during the year amounted to Rs. 29,420, but the actual supply of yarn amounted to Rs. 12,364-7-3 only.

5. The Provincial Society also tried to effect sales of finished goods produced by the affiliated societies through merchants and other co-operative institutions; but this did not prove successful. The Provincial

Society thereupon resolved to open sales depots in the city and the mufassal. Three mufassal centres, Madura, Calicut and Bezwada and Madras City have already been fixed upon for the opening of sales depots. The sales depot called the Emporium at Madras was opened in June 1936 and arrangements are being made to open sales depots in the mufassal centres.

6. The amount of grant allotted to the Madras Presidency was Rs. 26,500 for 1934-35 and Rs. 59,500 for 1935-36. During the year 1935-36 a sum of Rs. 21,831-10-0 only was drawn from the subvention account; of this Rs. 18,155-6-0 was utilized before 31st March 1936 and the balance during the quarter ending 30th June 1936. The amount was spent as shown below

Particulars.	Amount spent up to 31st March 1936. Rs. A. P.	Amount spent (and due) from April to June 1936. Rs. A. P.
I.—Establishment	7,306 4 0	3,002 6 7
II.—Miscellaneous—		
1. Travelling Allowances and sitting fees to Directors	1,979 9 0	396 10 0
2. Travelling Allowances to Secretary, Marketing Officer and Executive Officer	513 12 0	202 9 6
3. Travelling Allowances to Supervisors	1,529 11 0	377 7 6
4. Rent for the Provincial Society and for the store rooms of supervisors.	912 0 0	468 11 0
5. Furniture, electric fittings, contingencies, etc.	1,419 14 0	647 10 9
6. Stationery, postage, advertisement	1,329 4 8	2 4 0
7. Exhibition	..	50 0 0
8. Typewriter and duplicator	1,361 15 9	..
III.—Emporium rent	..	21 8 0
IV.—Direct help to societies	2,103 0 0	1,511 0 0
Total	18,455 6 5	6,680 3 4

GRAND TOTAL—Rs. 25,135 9 9.

The society spent a sum of Rs. 3,303-15-9 in excess of the subvention during the co-operative year. This sum will be recouped from out of the subvention to be given for the current year. The society has already applied for this sum and the matter is pending before Government

7. Though the scheme approved by the Government of India was followed in all its essential details, there were a few minor modifications. The Marketing Officer was given a pay of Rs. 200 and the Secretary Rs. 300 while the scheme provided for Rs. 400 for the former and Rs. 250 for the latter. The Cloth Designer was paid Rs. 75 while there is provision for payment of Rs. 100 in the scheme, while under the scheme there was provision for appointing only 5 Supervisors (Marketing Agents), the society employed seven men until April 1936 after which date their number was reduced to five. Expenditure on office contingencies, furniture, fittings, printing, advertisement, etc., was increased. Specific provision was made for expenditure under travelling allowance and sitting fees to Directors while there was no mention of such expenditure in the original scheme; menial staff of peons and watchman was also increased. With more experience, the society felt that there was no need for two highly

paid officers like the Marketing Officer and Secretary and it applied for the services of a departmental Sub-Deputy Registrar, to serve as Secretary and Marketing Officer combined. This officer joined duty on 27th March 1936. He tours for about 15 days in a month.

8. During the year under review, the Provincial Society has not achieved any striking measure of success. Beyond arranging for the supply of yarn to a few societies (*viz.*, 19 societies) it has not done any other work. No attempts were made to bring down the cost of production of cloth. Though the society recognised the fact that it was necessary to have a standard quality of goods, no effective steps were taken to achive this object. It is, of course, too soon to expect the society to cover the whole field being yet in its infant stages. The Local Government sanctioned, free of hire charges, the loan of five departmental hand driver sizing machines and the power driven sizing plant at the Textile Institute, to the society but it did not take advantage of this offer as the society could not make arrangements for their working.

9. The number of weavers who are members of the affiliated societies is just over 2,500; while the weaver population in the Province is more than five lakhs. It would thus appear that the society has not touched even the fringe of the problem of providing employment for the weavers. The value of the goods bought by the affiliated societies (including the stock on hand at the beginning of the year) was Rs. 1,47,603. The Provincial Society arranged for the supply of yarn amounting to Rs. 12,364, that is, about less than 9 per cent. of the goods. This shows that the members got more than 90 per cent. of the yarn themselves from their own funds, without the intervention of the Provincial Society. Unless the society makes adequate arrangements for the sale of finished goods as quickly as they are produced, the weavers cannot have continuous employment. The other alternative is that the society should make advances on the security of such finished goods. But the society has a paid up share capital of Rs. 16,400 and the amount of guarantee given by it to the Mills is already twice this sum. The society is faced with the problem of finding money for paying the mills on the due dates, as the affiliated societies which received yarn are generally unable to pay the price of yarn within 30 days—(the period allowed by the mills) and the society cannot advance loans on the security of finished products unless its share capital is substantially increased.

10. The society has been in existence only for a short time and it is too soon to judge whether it has achieved the objects for which it was brought into existence. The problem of handloom weaving is admittedly a difficult one in the face of competition of the mills and foreign import. Government are aware that the problem of weavers was one of the earliest of the problems to be tackled by Govrnment. Several Committees have sat over the problem—(*e.g.*, the Textile Conference in 1928-29).

11. The chronic indebtedness of weavers is too big a question to be tackled by the society within such a short period. A Government Officer, who has some experience of the problem, is working in the society. He is submitting monthly reports of his work and of the society and the usefulness of the institution is being watched.

Bombay.

(31st July 1936.)

Briefly, the scheme is to appoint a Marketing Officer for Handloom Products and a Textile Designer and to organize industrial associations on co-operative basis at five important centres, *viz.*: Ahmednagar, Hubli (Dharwar District), Ahmedabad, Poona and Hyderabad (Sind). The objects of the associations are to supply to weavers raw materials as cheaply as possible, to market their finished products, to advise them with regard to new patterns, designs and qualities, and to supply to them improved weaving appliances on hire purchase system. The overhead expenses on staff, rental of premises, etc., of these associations amounting to Rs. 3,340 per year for each are to be met from the Government of India grant. A provision of Rs. 2,000 per year for each association is made to meet any loss due to depreciation or bad debts in its working. Expenses on account of salaries, travelling allowance, etc., of the Marketing Officer and the Textile Designer amounting to Rs. 12,504 per year are also to be met from this grant. The working capital for the associations is to be obtained from co-operative banks on the security of their share capital and reserves. Each association was given in the beginning of the year Rs. 2,000 set aside for bad debts and depreciation in the first year's grant to constitute its reserve so that it can raise a reasonable amount of working capital from the local co-operative banks. The associations are intended to work on the basis of a small profit on their business with a view to be self-supporting as soon as practicable.

2. The Marketing Officer (Handloom Products) and Textile Designer were appointed and took charge of their respective posts on 1st June 1935 and 3rd September 1935, respectively. All the five associations referred to in paragraph 1 have been organized. Out of these three, *viz.*, those at Ahmednagar, Hubli and Poona started business operations with effect from January 1936. The association at Ahmedabad has been registered and is expected to begin working shortly. Organising work in the case of Hyderabad Association had to be suspended after it was registered on account of separation of Sind.

3. The Ahmednagar, Hubli and Poona associations have opened shops with a staff, in each case, of a manager, a salesman, and an accounts clerk. They stock raw materials such as yarn, etc., improved weaving appliances and finished handloom products. Some important points of note in the work of the Associations are as under.

(*a*) In connection with their stock of raw materials the associations have made available to weavers at economic rates a variety of counts of yarn in different guaranteed fast colours. Such a variety was not available in the local markets before.

(*b*) Another point worth note in connection with the sale of raw materials is that since the associations charge only a small profit, they are able to set rates for raw materials in their respective markets, thus benefitting both their members and non-members. Besides, an organized attempt on their part to get the raw materials dyed by local dyers in fast colours has resulted in considerable reduction in cost of dyeing in fast colours in those centres.

(*c*) Regarding finished products the associations found that most of the looms were working on one or two qualities only in which there was a glut. They, therefore, undertook with the help of the Textile Designer appointed under this scheme, to teach their members to produce new qualities of cloth with attractive patterns and designs, such as shirtings, coatings, sarees, curtains and table cloths, all meant for daily use. These qualities fetch better wages to the weavers and are found more easily saleable than the usual varieties. This has reduced competition in the usual products of these centres, thus benefitting non-member weavers also.

(*d*) The Associations have also introduced a system of manufacturing cloth strictly according to given specifications in counts of yarn, threads per inch both in warp and weft, and the fastness of colour, thus ensuring reliability in their products tending to create confidence in the customers.

4. The turnover of the three associations working at present, upto 31st July 1936, as shown in the statement below is Rs. 20,536 for Ahmednagar, Rs. 6,139 for Hubli, and Rs. 12,271 for Poona. This business with a working capital raised on the security of Rs. 2,000 paid to the associations during December 1935/January 1936, and a share capital of Rs. 800 to Rs. 1,200 for a period of effective working of seven months only, is considered satisfactory. The share capital is low as was expected because the value of each share was fixed at Rs. 2 to enable even the poorest weaver to participate in the scheme. The progress of the associations should, however, not be judged only on the basis of turnover but also on such factors as (*a*) that even with a small capital they are controlling the market rates of the raw materials and (*b*) that they have successfully introduce new qualities of cloth, thus widening consumption of handloom products. The Associations find the working capital at their disposal very small and the question of augmenting their reserve to enable them to raise adequate working capital and show a reasonably large turnover is under the consideration of the Government of Bombay. It is expected that with better facilities of finance, the associations will be able to take steps to achieve their objective of becoming self-supporting in due course.

Statement showing the progress of the Ahmednagar, Hubli and Poona Association upto 31st July 1936.

Name and place of the Association.	No. of members.	No. of shares subscribed.	Amount of share capital subscribed.	Approximate No. of hand-looms covered by membership.	Date of registration.	Date of commencement of business.	Date of receipt of Government loan on security of which bank loans were to be raised for working capital.	Sales upto 31st July 1936.	Gross profit upto 31st July 1936.
1	2	3	4	5	6	7	8	9	10
			Rs.					Rs.	Rs.
N. C. D. Industrial Co-operative Association, Ltd., Ahmednagar.	490	670	1,340	1,000	9th Aug. 1935.	7th Oct. 1935.	21st Dec. 1935.	20,536	331
The Industrial Co-operative Association, Ltd., S. D. Hubli.	145	373	746	1,000	15th Aug. 1935.	14th Nov. 1935.	27th Dec. 1935.	6,139	138
South Central Weavers and Industrial Co-operative Association, Ltd., Poona.	50	677	1,354	325	14th Sept. 1935.	14th Nov. 1935.	17th Jany. 1936.	12,271	432

Bengal.

Although the Government of India allocated a grant of Rs. 33,000 in 1934-35 for implementing the scheme approved by the sixth Industries Conference held in Simla in 1934 the grant could not be utilized immediately as the final sanction of the Government of India for disbursement of the amount was not received till August, 1935. As provided in the scheme expert staff was appointed for all the unions by the middle of November 1935 and they were provided with improved looms and dyeing appliances while orders were placed for the supply of one slasher sizing machine and one calendering machine for the Bagerhat Union. A subsidy of Rs. 2,000 was also sanctioned for the Alamdanga Yarn Depot. The duties allotted to the experts and supervisors attached to the Industrial Unions according to the provisions in the approved scheme were to train up the weavers in producing fabrics of improved and new designs, texture and finish as also to supply them with dyed yarns and to advise them on the reduction of the cost of production. The duties of the staff attached to the Provincial Industrial Society, *viz.*, the Marketing Officer, the Designer and the Canvassers were to supply new designs to the Industrial Unions and information regarding market conditions and to push up the sale of the finished products of the Unions. On assumption of office the staff carried out a general survey of the existing condition of the industry in their respective areas. The progress made by them during the last six months in furtherance of the scheme in respect of each industrial union is indicated below :—

2. (*i*) *The Bankura Industrial Union.*—The staff given to this Union was one weaving and dyeing expert and 3 supervisors. Rs. 800 was granted for purchase of improved looms and dyeing appliances. Four demonstrations centres have so far been started in the midst of co-operative weavers societies. Twenty weaver members have been fully trained and many others are receiving training. As a result of this training it has been possible for the weavers to produce fabrics of attractive designs and qualities to the extent of about 12,000 yds. of which water-proof lining cloth of 2,000 yds. 200 pieces of attractive designs of sarees for a Girl's School Uniform, an improved pattern mosquito net cloth according to the specification supplied by Calcutta merchants, turban cloth for Bengal Nagpur Railway and towels of various designs are noteworthy. The staff has also been able to supply dyed yarn to the weavers to moderate extent.

3. (*ii*) *Alamdanga Co-operative Yarn Depot.*—The past activities of this Depot were confined largely to supplying of yarn to the weavers. Since the posting of one weaving expert and one weaving supervisor to this Depot its activities on the manufacturing side have improved. A grant of Rs. 800 for improved looms and dyeing appliances and special subsidy of Rs. 2,000 were sanctioned. One demonstration centre has been opened here. Thirty-six weaver members have since received training in handling improved looms. The Depot has utilized a part of the Government grant of Rs. 2,000 in purchasing dye stuffs to the value of Rs. 750. The special aptitude of the weavers of this place is to weave woollen fabrics, woollen wrappers and shirtings which have created an impression in the Calcutta market. They have now been trained to manufacture wrappers with Kashmere border which has a good market in Calcutta. It is proposed

to increase the manufacture of woollen fabrics in this area for consumption in the next winter. The Depot has also been asked to supply gauze cloth for which an order has been secured by the Marketing Officer. The local sale of the Depot has increased to Rs. 2,012 since the appointment of the staff as against Rs. 1,592 during corresponding period of last year which may be attributed to improvement in the volume and quality of production.

4. (*iii*) *Naogaon Industrial Union.*—The Union was supplied with one expert and one weaving supervisor. Rs. 800 was sanctioned for purchase of improved looms and dyeing appliances. A demonstration centre has been started and 30 weavers have up till now attended the demonstration out of whom 2 are constantly at work in the centre. Improved quality of curtain cloth of mock-lino type, bandage and jaconet (envelop lining) cloth are now being woven by the weaver members. Orders for 3,000 yds. of the cloth have been placed with the Union by the Marketing Officer The weavers are also supplying towels and dusters to the local hospital.

5. (*iv*) *Dacca Industrial Union.*—The staff allotted to this Union consists of one expert and 4 weaving supervisors. There are 4 centres of activities of the Union, namely, Gopaldi, Madavdi, Dhandi and Demra, which are inhabited by a very large number of weavers. These weavers are used to handling looms of improved types. Although the Union has purchased English Jacquard looms with a Government grant of Rs. 800 for demonstration purpose the weavers prefer to be trained on their own looms which is being done at present. Thirty modern designs have since been introduced by the staff and about 200 weavers are now working on these designs. 1,000 yds. of lining cloth and 200 yds. of *purdah* cloth of new designs have been supplied according to orders by the weavers trained under the scheme. The weavers of this place being capable of handling improved looms and weaving fine fabrics the Union has immense possibilities for development of the industry. During this year provision has been made to supply the Union with a slasher sizing and a calendering machine.

6. (*v*) *Chittagong Industrial Union.*—In the scheme an expert and a weaving supervisor were provided for the Raipura (Noakhali) Industrial Union but the working of that Union having deteriorated the provision was partly shifted to the Chittagong Industrial Union under Government orders. One expert and a grant of Rs. 400 have been sanctioned for the Chittagong Union in March 1936. The Expert has commenced giving training to the weaver members in their homes. No demonstration centre has been opened yet. The expert has been able to secure orders to the extent of Rs. 1,200 for the weavers. Attempts are being made to improve the quailty of *lungis* that are largely used in the district of Chittagong.

7. (*vi*) *Choumohani Industrial Union.*—One expert and 2 weaving supervisors and also Rs. 800 as grant were sanctioned for this Union. The expert has opened one weaving and dyeing demonstration centre with the looms and appliances purchased from the grant. He is experiencing difficulty in persuading the weavers to attend the centre for training. Attempt is, however, being made to overcome the difficulty.

8 (*vii*) *Bagerhat Weaving Union.*—Provision was made to supply this Union with a slasher sizing and calendering machine at a cost of Rs. 15,000. The machines have recently been imported at a cost of

Rs. 19,304 Government having sanctioned the extra cost. After the installation of the machines ready warps will be available for distribution amongst the weavers. The calendering machine will further improve the finish of the Union's products which are already in demand in Calcutta. The Union will undertake the organisation of weavers' societies within its area of operation and supply ready warps to the members of these societies which will improve the volume and quality of production.

9. (*viii*) *Provincial Industrial Society.*—This society has received the assistance of 1 Marketing Officer, 1 Designer and 2 Canvassers who are attached to the society and working in collaboration with it. The Marketing Officer has supplied orders from Calcutta to the various unions and disposed of their goods worth about Rs. 4,000. He has also been able to dispose of 4,000 yds. of old fabrics which were lying unsold in the Provincial Society. He had to refuse several big orders such as 5,000 yds. water-proof lining, 1,15,000 yds. envelope lining cloth and *purdah* cloth to the value of Rs. 2,000 for want of funds in the Unions for execution of such orders. As a result of negotiations with Messrs. Indo-Africa Agency, Dundee, Natal, South Africa by the Marketing Officer for supply of suitings and shirtings a sample consignment of goods worth Rs. 500 has recently been sent to the Company. If the goods are approved it is hoped that a regular business of aggregate value of £70,000 per year will be established. The Designer has supplied 40 new designs of various class of fabrics to the different industrial unions. About 30 of these designs have been successfully taken up by the weavers in different centres. The canvassers have helped in the disposal of goods in the Provincial Society as also of the Unions forwarded to the Provincial Society for disposal.

10. A statement of expenditure in connection with the scheme since the receipt of the grant is indicated below:

	Expenditure.					
	Rs.	A.	P.	Rs.	A.	P.
1934-35	*Nil.*					
1935-36—						
Pay of Establishment	4,640	6	0			
Travelling Allowance	1,000	0	0			
Contingencies	245	3	9			
Grants-in-aid, contribution	11,317	12	0			
	17,203	5	9	17,203	5	9
1936-37—						
Commitments—						
Pay of Establishment	18,180	0	0			
Travelling allowance	6,000	0	0			
Contingencies	1,500	0	0			
Grants-in-aid, contribution	38,304	0	0	63,984	0	0
Bagerhat —14,304						
Dacca —24,000						
				81,187	5	9

11. In summing up, the net results achieved during the last six months by implementing the scheme are that a general survey of the conditions of the industry prevailing in different centres has been made, the Unions supplied with improved looms and dyeing appliances and

demonstration and training centres have been established. A number of new designs transmitted to the Unions has been and is being introduced among the weavers while the Marketing Officer has been able to secure some orders for classes of goods hitherto unknown to the weavers. The objects of the Government of India grant include the training of weavers in improved methods of production, establishment of sale depots and weavers' co-operative societies for the marketing of handloom products and the introduction of new patterns, new designs and improved appliances. Although our work is progressing slowly as it is not possible to rush it in the view of various handicaps we are working fully keeping in view the purposes for which the grant has been made.

REPORT OF DIRECTOR OF INDUSTRIES, BENGAL.

12. *Government Weaving Institute, Serampore.*—The report furnished by the Principal of the Institute regarding the experimental work into new designs and equipment for the handloom weaving industry carried out in his Institute during the year 1935-36 is given in Appendix A. Every effort to break new ground and develop new enterprise is of an experimental and tentative character in regard to which definite and concrete results do not always materialise as expected. In the case of this scheme a certain amount of time was inevitably consumed in assembling the equipment and getting these new ideas into the mental outlook of the staff operating it, also in establishing contact with the Bengal Home Industries Association and Good Companions and other sources of new ideas for the handloom weaving industry. This was done effectively towards the end of the year and I am glad to report that progress in recent months has been even more marked than the report in Appendix A indicates. The Secretary of the Bengal Home Industries Association has expressed to me her satisfaction with the valuable response which the experimental party has been able to make to the ideas and suggestions propounded by that body. Within the limitations of this small experimental scheme the progress made is reasonable and is producing valuable results.

It is understood that proposals for new schemes will shortly be considered by the Government of India and perhaps by an Industries Conference. The position at present is that for a number of years the Serampore Weaving Institute and latterly the Textile Section of the Department of Industries headquarters has been concentrating its attention on the improvement of the handloom weavers' equipment particularly the substitution of fly-shuttle looms, and the introduction of jacquard and dobbies with the sole purpose of strengthening the economic position of the handloom weavers. A considerable measure of success has thus been already achieved. The incidence of the present economic depression and particularly the dumping of abnormally cheap products of Japan in recent years has however created new and even more formidable difficulties in the handloom weaving industry. It is the general consensus of responsible opinion that the present difficult economic position of the handloom cottage industry can only be substantially aided, provided that the services of competent designers with the power of expression of new and marketable ideas together with the services of efficient and business-like marketing organization is made available.

APPENDIX A.

REPORT ON THE WORK DONE BY THE HANDLOOM RESEARCH PARTY STATIONED AT THE GOVERNMENT WEAVING INSTITUTE, SERAMPORE, FROM JULY 1935 TO 31ST MARCH 1936.

The staff consisting of one Expert Textile Organiser, two Artisan assistants and one Workmen Labourer joined their respective duties in the second week of July 1935.

Equipment.

The party has now been equipped with four fly-shuttle frame looms, two of which have been specially constructed for supporting Jacquard attachments of 300 and 100 hooks respectively. A semi-automatic fly-shuttle loom and a country dobby with 26 jacks have been purchased recently and are expected to begin working early in the month of April. Three show-cases have been purchased for the adequate display of the experimental fabrics woven in this section.

Work for the cottage handloom workers in the mufassal.

Immediately on joining his post the Expert Textile Organiser began to study the various piece-goods markets of Calcutta and its neighbourhood and to establish contact generally with parties who deal in better class textile goods in order to ascertain the trend of fashion and demand.

The Expert has visited different weaving centres in the districts of Pabna, Dacca, Bankura and Mymensingh. Thus he has placed on record the actual conditions of the important weaving communities of the aforesaid districts and formed the experience of what can be done by them with improved designs and appliances.

It is a part of the Textile Organiser's duty to attend to the difficulties of the handloom weavers on the spot when he goes out on tour. Very frequently his help is sought by the handloom weavers of the localities visited by him in connection with such problems as the proper management of jacquards and dobbies and the preparing of suitable designs of various types of fabrics. He has also supplied some new designs to parties who have asked for the same. In this way he is helping the handloom weavers to solve their practical difficulties.

He has also attended the All-India Hand Weaving Competition and Exhibition held at Patna, where he got an opportunity of making a comparative study of the condition of handloom weaving industry in the different provinces of India, the methods adopted by the several provincial Governments to improve the hand weaving industry in their respective provinces and the general capacity of an Indian handloom weaver.

Work for the Bengal Home Industries Association.

Up till now a large part of the time of the research staff has been devoted to the production of samples of furnishing fabrics for the Bengal Home Industries Association, who are getting them manufactured on a large scale by handloom weavers of this province on the basis of the samples produced at this Institute.

On the suggestion of the Lady Secretary of the above Association nineteen samples suitable for furnishing fabrics have so far been woven while four additional samples are under preparation. It is expected that the Bengal Home Industries Association will be able to place considerable orders for these in preparation for the next cold weather season thus opening out an avenue of lucrative employment to our handloom weavers.

Original weaves and designs worked out.

In addition to working out the ideas and suggestions of the Bengal Home Industries Association, twelve other samples have been produced of which three are suitable for coatings, one for ladies' dress material and eight are found to be suitable for furnishing fabrics.

Two experimental warps for curtain cloth were prepared which were woven with a variety of fancy dyed weft and the resulting fabrics were found to have certain novel effects which when fully developed are likely to prove attractive. The weaves being plain, it is hoped this art of weaving with fancy dyed weft will open up a new avenue of income to the Bengal handloom weavers. This line of work is being further developed.

Improved appliances designed.

A new sley has been designed with adjustable reedspace capable of weaving cloths of widths varying from 60" to 27". This is calculated to enable the poor weavers who are not in a position to buy looms of various widths, to increase their earnings by extending the range of their production. The Research party has two such sleys working which are found to be satisfactory under actual working condition.

A leasing paddle also has been designed, which is expected to simplify leasing for warpers who make their warps in the usual indigenous way. This paddle is at present being tried out at this Institute.

Future programme.

In addition to the production of samples on the basis of the ideas and suggestions of the Bengal Home Industries Association and supplying designs and technical advice to parties applying for them, the Expert proposes to carry out a series of experiments with fancy dyed yarn, which is capable of producting various artistic effects on plain cloth. He is also to try a few novel figure effects with simple weaves, all of which will be quite within the scope of the ordinary handloom weaver. These experiments and his normal touring duties are likely to keep him fully occupied for some time to come.

United Provinces.

(31st August 1936.)

1. *Survey.*—Fifteen investigators who were appointed in April, 1935 to carry out a detailed survey of the Cotton Handloom Industry of the Province, submitted their reports by 20th December, 1935, and compilation of statistics was completed by the 29th February, 1936. A draft report has been drawn up and the final report is likely to be ready soon. The total expenditure incurred on this work out of the Government of India grant amounts to Rs. 17,283-1-6.

2. *Samples.*—A complete range of cotton samples of the different weaving centres of the province has been collected, arranged and priced in sample books.

A sum of Rs. 3,000 was provided for this purpose for 1934-36 in addition to Rs. 1,500 provided in the Survey Grant. The actual expenditure has been Rs. 1,047 under the survey grant *plus* Rs. 558-0-6 during the year 1935-36, and Rs. 373-6-3 from 1st April to 31st August, 1936.

3. *Commercial Travellers.*—The scheme provides for six travellers at Rs. 60 p. m. But it was found that such persons were not suitable for work in the rural markets. Therefore only four out of six persons were appointed on Rs. 60 p. m. and instead of the remaining two, eight canvassers were proposed to be appointed on Rs. 15 p. m. Four of these have been appointed and the remaining four will be appointed shortly. These village canvassers have to go from village to village and attend important bazaars in districts.

There is no provision for contingencies for the Commercial Travellers. This is required for the carriage of samples, and their display at fairs and exhibitions. A provision of Rs. 1,000 per annum is needed for such contingencies.

4. *Designs.*—As there is no institution in India where specialised training in designs is given, it has been difficult to get a suitable candidate for the Head Designer's post which is therefore still vacant. The principals of the weaving institutions in India were also requested to bring the post to the notice of suitable candidates. Some more applications have now been received and are being examined. One assistant weaving designer and one printing designer have been appointed since July 1936. The other weaving designer will be appointed shortly.

As the work of the design section is not yet in full swing, designs supplied by our weaving schools have been tried and some of them have found a good market. A list of such designs is given in Appendix "A". It is expected that when this section is fully equipped with its full staff, many more marketable designs will be introduced.

There is a provision of Rs. 1,500 for contingencies for this section. It has been found that the initial cost of new designs is much more than what has been provided for. It is therefore proposed to increase the allotment for this item by Rs. 1,000 in the current year's budget. This will cover the cost of making trial blocks for printing designs.

Provision has also been made in the current year's budget for two attendants at Rs. 10 p. m. each to help the designers.

5. *Supervision of Manufacture.*—The six stores contemplated in the scheme have been started at the places and with effect from the dates noted below:—

Sandila	15th January 1936.
Bara Banki . . .	1st July 1936.
Tanda	23rd October 1935.
Mau	20th January 1936.
Etawah	9th May 1936.
Amroha	15th January 1936.

The first three have co-operative organisations and have been taken over for intensive work. The weavers of other centres are being organized on co-operative lines. These stores except the one at Tanda are in charge of a supervisor trained in handloom weaving and a store-keeper trained in dyeing and printing. At Tanda the position is reversed, *i.e.*, the supervisor is a dyeing expert and the store-keeper trained in handloom weaving. They supervise the production of the right type of fabrics for the Provincial Marketing Organization. At all these places the yarn is supplied by the store and finished products are purchased from the weavers on cash payment by the Provincial Marketing Organization.

No expenditure has been incurred under the grants for subsidy to stockists and supply of appliances.

6. *Provincial Marketing Organization.*—A Textile Section has been attached to the U. P. Arts and Crafts Emporium, Lucknow, to organize wholesale marketing and to co-ordinate the various activities under the scheme. It was started on 21st November, 1935, and was opened by Lady Haig. It is directly under the charge of an Assistant Manager who works under the general supervision of the Business Manager of the Emporium. The Divisional Superintendent of Industries in charge of the Handloom Scheme is the Controller. This Organization controls the work of the commercial travellers and renders assistance to the stores. Since the date of its opening to the 15th August 1936, it has done business amounting to about Rs. 56,000. It has participated in the Exhibitions held at Garhmukteshwar, Etawah, Gwalior, Patna, Aligarh, Bulandshahr, Dhanbad, Cawnpore, Rangoon, Delhi and Allahabad. Handloom products were also displayed in the Exhibition train which toured the whole of South India and Central India. Our exhibits have already won 9 medals and 16 certificates.

The post of the Salesman on Rs. 80 has been split into two posts of Rs. 40 p. m. each. Since the central shop attached to the organization remains open from 9 A.M. to 8-30 P.M. it was found necessary to have two salesmen, who could work in shifts.

The pay of the two sales attendants has had to be increased from Rs. 10-8-0 to Rs. 15 p. m. as they were not available on less pay. Two posts of attendants were also created as it was not possible to cope with the work with the existing staff. A new post of a chowkidar has also been found necessary.

7. *Finishing and Calendering.*—There is provision for a recurring grant of Rs. 3,000 for running the finishing plant which was proposed to be erected at a cost of Rs. 40,000. On further examination it is found that a centralised finishing plant would not serve a very useful purpose as there is no centre where there would be enough work for such a big plant. A better scheme would be to subsidize persons who are prepared to put up smaller plants at different centres. But the recurring provision of Rs. 3,000 would still be required to subsidise calendering and finishing of weaver's products through the Emporium and preliminary experiments in finishing and calendering.

So far a private calendering plant at Tanda has been utilised for finishing. Hand finishing has also been tried and found successful at Mau and Gorakhpur.

8. *Research and Experiments.*—The Research Assistant has not yet been appointed. The person who was selected for the post did not join. It had therefore to be advertised again. The applications received are under consideration. Meanwhile, the Government Central Weaving Institute, Benares, has evolved the following appliances:—

(1) double box sley,

(2) multiple box sley,

(3) newar loom,

(4) pick and pick sley for fancy work,

(5) peg dobby,

(6) wooden jacquard,

(7) multiple bobbin winding machine,

(8) combined warping and beaming machine,

(9) yard doubling or grandrille machine.

Of these the wooden jacquard has won the Government of India's prize of Rs. 500 for the best appliances at the Patna Exhibition. The double box sley and the combined warping and beaming machine have also won prizes. The double box sley has been introduced at Bara Banki and the jacquard is now commonly used at Benares.

Experiments in hand mercerising have been successfully carried out at the Government School of Dyeing and Printing, Cawnpore, and arrangements are being made at Tanda for this work. Fast dyeing processes have also been introduced at Tanda.

9. *Sole Buying Agency Scheme.*—It has not been possible to interest any firm to take up the Sole Buying Agency for buying all the goods produced by co-operative societies of cottage workers. But firms are prepared to take up Sole Selling Agencies in different territories in return for a subsidy on guaranteed business at the following rates:—

(*a*) Rs. 100 p.m. on guaranteed minimum business of Rs. 20,000 a year.

(*b*) Rs. 50 p.m. on guaranteed minimum business of Rs. 10,000 a year.

(*c*) Rs. 20 p.m. on guaranteed minimum business of Rs, 5,000 a year.

10. Appendix II contains a statement of the sanctioned grant for 1934-36 and the expenditure incurred up-to-date. Proposals for the utilization of the savings and for the increased grant for the current year are awaiting sanction.

11. The above summary will show that satisfactory progress has been made in the development of the scheme although there are some sections which have not yet been started as they could not be taken up simultaneously. It was also not considered desirable to rush them as some modifications from the original scheme are found necessary in the light of actual experience for which proposals have been submitted. Even with regard to these, preliminary arrangements have been completed and it is expected that the whole scheme will be in full swing in a few months' time.

APPENDIX I.

List of new designs of textile fabrics introduced in connection with the Hand Loom Weaving Scheme.

(*a*) about ½ dozen woven curtain designs.
  (1) Jamdani Pattern Curtain.
  (2) Jacquard design cloth.
  (3) Vertical Striped Curtains.
(*b*) 3 designs of woven bedspreads.
(*c*) Printed Crepe scarves.
(*d*) Printed saree cloth in about 20 different designs.
(*e*) Printed curtain cloth.
(*f*) Wax work printed sarees.
(*g*) Sarees of beading.
(*h*) Chadars printed as shawls.
(*i*) Printed upholstery cloth.
(*j*) Drills.
(*k*) Macklino shirting.
(*l*) Silk chints.
(*m*) Coloured four fold Sojni.
(*n*) Coloured Sambhal Durries.
(*o*) Mercerised table covers, napkins, and curtains to match.
(*p*) Coloured sport shirtings.
(*q*) Printed net curtains.
(*r*) Waivy Sarees.
(*s*) Mosquito Curtains cloth.
(*t*) Printed Garha chints.
(*u*) Printed—
  (*a*) Doyllies.
  (*b*) Ground Cushions.
  (*c*) Burka.
  (*d*) Dressing gowns.
(*v*) Sarees of different designs and textures.
(*w*) Long cloth.
(*x*) Shirting designs about 20.

APPENDIX II.

Expenditure incurred from the Government of India Grant (1) during the year 1935-36, and (2) from 1st April, 1936, to 31st August, 1936, on the development of Handloom Industry.

Particulars.	1935-36.		Expenditure from 1st April 1936 to 31st August 1936.		Total expenditure on the scheme till 31st August 1936.
	Budget grant.	Actual expenditure.	Budget grant.	Actual expenditure till 31st August 1936.	
	Rs. (1)	Rs. A. P.		Rs. A. P. (3)	Rs. A. P.
1. Handloom Survey.	17,719	15,549 2 6	..	1,333 15 0	17,283 1 6
2. Purchase and Supply of Samples.	3,000	558 0 6	..	373 6 3	931 6 9
3. Commercial Travellers.	7,590	1,636 13 0	..	2,086 7 9	3,723 4 9
4. Design . .	7,280	..	..	171 4 0	171 4 0
5. Supervisors and Stores.	16,588	768 9 6	..	3,134 15 9	3,903 9 3
6. Provincial Marketing Organisation.	7,247	8,872 4 6	..	7,117 12 0	15,990 0 6
7. Finishing and Calendering.	40,000	117 3 3	..	42 13 6	160 0 9
8. Research and Experiments.	4,500	..	..	133 5 0	133 5 0
9. Sole-Buying Agency (Subsidy).	2,000	..	..	..	..
	(2) 1,04,000	27,902 1 3 (3) 1,333 15 0	86,400	13,063 0 3	42,296 0 6
		29,236 15 0			

(1) Non-recurring.
(2) After deducting probable savings of Rs. 1,924 from items 2 to 8.
(3) Debited to last year's Survey grant.

NOTE.—More than half the savings are due to the provision of Rs. 40,000 for a calendering plant which has not yet been put up owing to modifications in the original scheme awaiting sanction.

APPENDIX III.

United Provinces.

Expenditure incurred during the year 1935-36, on the development of Handloom Industry.

	Rs. A. P.
1. Pay of Staff—	
3 Divisional Superintendents of Industries	15,513 3 0
3 Peons of Divisional Superintendents of Industries	378 0 0
Travelling Allowances of Divisional Superintendents of Industries and Peons	4,060 0 0
Supplies and Services	No separate figures can be given.
Contingencies	530 0 0 (For a typewriter and a photo camera.
2. Exhibitions	2,056 0 0
3. Expenditure on Government Institutions devoted to Handloom Industry (details shown in Appendix IIIA)	1,54,006 2 0
4. Aid to Non-Government Institutions devoted to Handloom Industry	16,574 12 0
5. Expenditure incurred by the Co-operative Department in organising the weavers, in marketing their products, and giving technical assistance by means of weaving supervisors &c.	6,323 0 0
Total	2,12,766 11 3

Punjab.

(31st August 1936.)

The expenditure incurred on the scheme upto the end of August 1936 under each primary unit is shown below:—

Primary unit.	1934-35.	1935-36.	1936-37 (1st April 1936 to 31st August 1936).	Total expenditure upto 31st August 1936.
	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.
Pay of Establishment	..	11,269 13 0	7,281 6 0	18,551 3 0
Other Allowances and Honoraria.	..	..	33 0 0	33 0 0
Travelling Allowance	..	1,022 14 0	879 4 0	1,902 2 0
Supplies and Services	..	7,713 0 0	2,643 12 3	10,356 12 3
Contingencies	308 2 0	4,552 9 0	2,938 6 6	7,799 1 6
Rewards and Subsidies	..	166 7 0	..	166 7 0
Total	308 2 0	24,724 11 0	13,775 12 9	38,808 9 9

Apart from the expenditure which would be incurred within the sanctioned allotments on Pay of Establishment, Other Allowances and Honoraria, Travelling Allowance and Rewards and Subsidies, Rs. 21,000 will be spent during the current financial year on the purchase and installation of preparatory machinery at the Central and two branch depots, leaving a balance of about Rs. 4,000 in hand, under "Supplies and Services" (non-recurring). With this saving and such other savings as might occur under other primary units, and with such other amount as might become available next year for the purpose, it is proposed to purchase a finishing plant in the year 1937-38. It is expected that the preparatory machinery will soon be received and installed.

2. A Central Depot has been opened at Amritsar, which is the biggest distributing centre for textiles in the Punjab, in addition to being an important weaving centre. Branch depots have been opened at two other big weaving centres in the province, *viz.* at Hoshiarpur and Multan. The scheme started functioning about the middle of 1935. The Marketing Officer was appointed in May 1935. The Central depot at Amritsar was opened in June 1935, and the two Branch depots at Hoshiarpur and Multan respectively towards the end of 1935.

3. The Central depot at Amritsar controls the entire marketing organization under the scheme. It works out designs and distributes them not only locally and to branch depots, but also amongst the weavers generally in the province.

Till recently cotton handloom weaving alone was dealt with under the scheme. The use of silk, mixed silk and artificial silk yarn in borders etc, has only recently been allowed.

Service has been rendered to handloom weavers in two ways, *viz*, (*a*) by employing them directly for the execution of orders received from buying agents and (*b*) by increasing the scope of their work generally by supplying them the latest marketable designs and by teaching them the use of improved appliances. Hundreds of weavers are working directly for the Marketing Officer, while thousands have gained indirectly from the new designs which have been distributed and from other assistance rendered by the marketing organization.

4. Assistance has generally been rendered in the following ways:—

(*i*) The Central and Branch depots provide show rooms to exhibit the best samples of woven and printed goods for the benefit of dealers, weavers and printers. The Show Room at Amritsar contains the largest collections of exhibits and is the one most popular.

(*ii*) New and marketable designs are continually being prepared and distributed. 87 new designs were successfully introduced last year, and over 600 samples and designs were analysed as to their technical data and costing. Appendix A will show the classes of fabrics for which new designs have been successfully introduced.

(*iii*) The Central and Branch depots serve as a clearing house of industrial intelligence for the benefit of the industry. Weavers are supplied information regarding technical analysis and costing so as to enable them to secure better prices for their

goods and as far as possible they are supplied with information regarding the current market prices of finished goods and raw materials. They are also educated in the utilisation of such technical data by demonstrations and explanations on the spot by the technical experts employed under the scheme. For instance, weavers have been successfully taught how to do very fine weaving on fly shuttle looms which had never before been attempted in this province.

(*iv*) Separate buying agents have been appointed for each depot with definite areas allotted to each. They secure orders and are bound to receive cloth produced for them through the agency of the Marketing Officer. The buying agents supply the required raw materials and are bound to pay wages fixed by the Marketing Officer for weavers and printers. In the beginning there was an active opposition on the part of shopkeepers and dealers to the working of this scheme for they considered it a rival organisation set up by Government to deprive them of their business, and the first batch of buying agents also lost some money in their business. This gave a certain amount of set back. But it has lately been brought home by actual working to the weaver as well as to dealer that the scheme will work to the benefit of all concerned. The weaver secures better wages and has been taught how to get better production, while the dealer secures better prices on goods of uniform quality. Things have consequently improved and dealers have begun to take goods of standard quality through the Marketing Officer or from the weavers who have previously worked for the Marketing Officer.

In addition, small scale weavers in villages, (*e.g.* Rahon in Hoshiarpur district) have recently begun to come over to the Marketing Officer for help in the sale of the goods produced by them on their own account.

(*v*) Effective help has been given in the introduction of improved appliances. The marketing organisation has by demonstrations brought home to the weaver that the improved fly shuttle looms, dobbies and jacquards would give him better and greater production along with better wages. This has resulted in the more general adoption of improved appliances. For instance, fly shuttle looms have been introduced for the weaving of fine *patkas* (turbans) unlike before when pit looms alone were used for such work. Double fly shuttle sleys have been introduced for the weaving of two colour cloth. Solid border cloth which was previously woven entirely on pit looms, is being gradually taken up on fly shuttle looms under the guidance of the Marketing Officer.

(*vi*) The use of fast colours has been encouraged. It has been demonstrated to the weaver by actual working that the use of fast colours not only brings him more orders, but that it is also not very expensive in the long run.

(*vii*) Improved designs in printing have been introduced. Coarse cloth such as *khaddar* woven on the handloom cannot compete with the mill product, unless it is printed in attractive

designs. Over 80 new designs which were supplied last year, have been taken up with great success. Several good printers at Kamalia, Multan and Amritsar are employed for printing cloth on orders. Printing work is likely to increase in course of time.

(*viii*) Standardisation of cloth has been helped. Certain standard specifications have been fixed and as far as possible sized warp is supplied. No order is accepted unless it secures to the weaver higher wages than what he would have ordinarily got in the market. Higher wages have been possible through the use of better designs and the weaving of uniform quality of cloth.

APPENDIX A.

st of articles for which new designs in weaving have been introduced.

Class of fabrics.	Number of designs.
Baby's Cot-cover	1
Bed cover (in Government College colours)	1
Coating and Suitings	20
Curtain cloth	17
Dining table cover	1
Dress material	1
Flooring cover	1
Khaddar (bleached)	1
Khaddar for printing	1
Kheses (double cloth)	8
Lungies (cotton)	6
,, (mercerised)	7
,, (rakhvin kanni)	3
Sarees	6
Sarees with Jacquard Border	4
Table cover (in Government College cover)	1
Tea-poy covers (in Government College and F. C. College colours)	2
Towels (Honey Comb)	3
Turbans	3
Total	87

Bihar.

(31st July 1936.)

The Bihar Cottage Industries (Handloom Marketing Organization) financed by the grant from the Government of India started work on the 1st April 1935, and the old Purdah manufacturing section of the local Government was merged in the same. While the establishment charges of the latter and necessary funds for the purchase of raw materials and finished goods were provided by the local Government, the grant received from the Government of India was utilised in payment of salaries of the additional staff required for the new marketing organisation and those employed for organising and working the weavers' co-operative societies, in paying the rent of sales depots and the price of the finishing plant, and to meet the cost of participation in exhibitions and fairs, advertisements and other propaganda work undertaken to popularise the hand-woven textiles.

Since the separation of Orissa in April last and the receipt of a separate grant by that province, the internal administration of the scheme in Orissa has been left to the Orissa Government while the marketing arrangements have been kept joint on payment of proportionate charges by Orissa until she is able to make her own arrangements.

2. *Manufacture.*—(*a*) *Organization of weavers societies.*—In addition to the three weavers' co-operative societies at Bihar Shariff in Patna district, at Irba in Ranchi district and at Obra in Gaya district, five new weavers' co-operative societies were started by the Registrar of Co-operative Societies, *viz.*, three in Darbhanga district, one at Bhagalpur and one at Fatwa in Patna district. The five weaving supervisors appointed by him to manage these societies were posted at Madhubani, Obra, Fatwa, Bhagalpur and Irba, respectively. The society at Bihar Shariff employed its own supervisor. After organizing some of these societies in Bihar, the Organizer of weavers' co-operative societies went to Orissa in November 1935 where he remained till the end of the year 1935-36.

(*b*) *Standardisation and output.*—In addition to the various patterns of cotton purdahs, durries, etc., in which the Purdah section had been dealing in the past, 48 different patterns of popular cotton fabrics were designed and standardised. Special care was taken in working out the costing of these goods so as to allow a sufficient margin as wages for the weaver while the price compared favourably with that of mill-made cloth of similar quality. The profit of the weavers' societies and master weavers was fixed at $12\frac{1}{2}$ per cent. of the cost of yarn and weaving charges.

During the year 1935-36, goods of a total value of Rs. 97,217 were manufactured and supplied to the Bihar Cottage Industries. Of this, goods worth Rs. 38,276 were supplied by seven weavers' co-operative societies and those worth Rs. 58,941 were supplied by 20 master weavers and *ex*-students of our textile institutes. The supplies received by the central institute in the four months of the year from April to July 1936 amounted to Rs. 41,429. During this period a few more patterns of cloth were also designed and added to the list of standard goods.

3. *Finishing.*—The finishing plant, consisting of a strach mangle with a set of drying cylinders, a damping machine and a 5 bowl calender, was

received in the last week of November 1935 and its erection was completed by the end of January 1935. Arrangements for the supply of electric power for running this machinery were completed in July last, when the finishing master also joined his duties. Since then, bleaching vats have been constructed and water pipes are being laid out. It is now hoped that bleaching and finishing of the staple goods will be started very shortly.

4. *Marketing.*—During the year 1935-36 handloom fabrics of a total value of Rs. 1,32,173 were sold in the markets in addition to raw materials worth Rs. 41,751 sold to the weavers. Similar sales for four months ending 31st July 1936 amounted to Rs. 50,442 and Rs. 18,901 respectively. The sale of finished goods was effected at the central warehouse at Gulzarbagh and through sales depots, selling agents both Indian and foreign, and a commercial traveller.

(I) *Sales depots.*—Besides the central warehouse at Gulzarbagh, five sales depots were opened at Jamshedpore, Ranchi, Bhagalpur, Delhi-Simla and Patna. The depots at Calcutta, Cuttack and Muzaffarpur could not be started for various reasons. The one at Calcutta is proposed to be opened after the finishing plant is in working order. The opening of the depot at Cuttack has been delayed by the separation of Orissa. The business done in the sales depots, excepting that at Delhi-Simla, has not been up to our expectations. It is hoped that when the staple goods are properly finished by machinery, better sales will be effected.

(II) *Sales agents.*—In addition to Indian agents, there were two foreign agents, one in London and the other in New-Zealand. The sales effected by the London agent in 1935-36 amounted to £5,555 and those by the New-Zealand agent to £1,025. The sales of these agents for four months of 1936-37 amounted to £2,892 and £337 respectively.

(III) *Commercial Traveller.*—The commercial traveller visited several exhibitions and *melas* and also some important places in and near the province, and arranged for the sale of our handloom fabrics besides giving publicity to Bihar textiles. The second commercial traveller was appointed in June 1936.

5. *Exhibitions.*—During the year 1935-36 the Bihar Cottage Industries participated in six exhibitions held in different parts of the province. Of these, the All-India Hand-waving Exhibition held at Patna in February 1936 was the largest and the most important. It also participated in six other exhibitions held at Delhi, Allahabad, Mysore, Srinagar and Baroda. The exhibits of the Bihar Cottage Industries were also displayed at the British Industries Fair in London, the Poznan International Industries Fair in Poland, the Prague Fair in Austria, the Leipzig International Spring Fair in Germany and the Canadian National Exhibition at Taronto. The unique designs and the high quality of workmanship of Bihar textiles were appreciated in all these exhibitions and in some of them medals and certificates were also awarded.

6. *Expenditure.*—The expenditure out of the grant received from the Government of India during the year 1935-36 amounted to Rs. 61,792. This amount included Rs. 32,028 being the value of the finishing plant, the cost of furniture and equipment required for the sales depots, and a sum of Rs. 4,040 spent by the Registrar of Co-operative Societies for the

organisation and management of the weavers' co-operative societies. Th total expenditure during the year 1935-36 was less than the budgete amount on account of the fact that the finishing department could not b started earlier and only 5 out of 7 sales depots could be opened during th year. There was also a saving in the allotment made for the organisatio of weavers' co-operative societies owing to the difficulty in obtaining pr properly qualified hands.

Revised estimate for 1936-37 and the proposed budget for 1937-38.

The revised estimate for the current year and the proposed expend ture in 1937-38 are shown below:—

Items of expenditure.	As per scheme originally sanctioned.	Revised estimate for 1936-37.	Budget estimate for 1937-38.
	Rs.	Rs.	Rs.
1. Establishment	16,500	13,733	16,012
		1,349	1,560
2. Travelling allowance	2,500	2,000	2,000
3. Advertisement and publication	2,000	7,750	1,728
4. Cost of participation in exhibition and fairs	2,500	3,130	2,000
5. Subsidies to Branch Stores	5,000	5,000	7,200
6. Contingencies—			
(1) Marketing	3,000	6,120	3,000
(2) Finishing Department	3,000	1,927	3,000
(3) Finishing plant	..	4,500	..
7. Cost of additional demonstration parties	12,000	..	7,000
8. Organisation of weavers' co-operative societies.	6,000	8,000	9,000
Total	52,500	53,509	52,500

The revised estimate for 1936-37 on account of advertisements and publications is shown at Rs. 7,750 for the reason that the initial expenditure for the purchase of show cases, signboards, etc., to be placed at important public places and railway stations, has to be incurred during this year. The cost of participation in exhibitions will exceed the original estimated amount by Rs. 630 as a large sum has to be spent on stall-rent in the ensuing United Provinces Industrial and Agricultural Exhibition, Lucknow. The total expenditure under contingencies of the marketing and finishing departments will also increase by about Rs. 2,000 during the current year as all the charges, in connection with the installation of the finishing department, could not be paid in 1935-36. Provision is also made during the year for a capital expenditure of Rs. 4,500 on the finishing plant, for the reason that the amount allotted for this purpose in the year 1935-36 could not all be spent in that year. Thus the total expenditure for the year 1936-37 will be Rs. 53,509, of which Rs. 41,800 represents the grant for the current year and the balance of Rs. 11,709 is the saving from the last year's grant after excluding Orissa's share.

The budget estimate for 1937-38 has been kept at the same figure as in the original scheme, *i.e.*, Rs. 52,500. On account of the additional expenditure of Rs. 3,000 required for the weavers' societies and Rs. 2,200 for the two sales depots at Delhi and Calcutta, provision is made for the starting of only two demonstration parties in place of three provided in the original scheme.

Central Provinces.

(30th June 1936).

The grant-in-aid to this province for the year 1935-36 was Rs. 17,000. Out of this a sum of Rs. 7,615 was advanced as working capital to the Central Provinces and Berar Weavers' Co-operative Society and the balance of Rs. 9,385 was given as grant-in-aid for working expenses. The former amount together with the sum of Rs. 6,500 advanced from the grant-in-aid for 5 months ending on the 31st March 1935, making a total of Rs. 14,115, was the working capital of the society during the year. The number of members on roll of the Society at Nagpur was 217 against 79 in the previous year and the number in the branch society at Kamptee was 71 against 21.

2. A brief description of the method of working followed during the year is given below.

Raw materials required for the manufacture of cloth were purchased at wholesale rates and issued to members on credit for weaving the sarees ordered by the wholesale purchaser. Paid supervisors were engaged to see that the society's material was not substituted and that the weavers brought back the woven cloth. The cloth when received from the weavers was examined by the wholesale purchaser who purchased the approved pieces at pre-fixed prices and wages were paid to the weavers accordingly. The rejected pieces were kept with the society and gradually sold at reduced prices accordingly to the prevailing market rates. This method was followed for the Nagpur society throughout the year. The weavers of the Kamptee society, however, weave coarse sarees and it was found difficult to sell them. Therefore the above method was not adopted at Kamptee. Yarn was supplied to the members on credit, and they were to sell the cloth on their own responsibility and pay the cost of the yarn.

3. Raw materials worth Rs. 12,250 were issued to the members of the Nagpur and Kamptee societies. The total number of sarees manufactured by the two societies was 1,736 valued at Rs. 12,520 of which 1,405 sarees valued at Rs. 11,455 were sold. Out of the sarees sold 582 sarees were purchased by the wholesale purchaser for Rs. 4,444 and 823 sarees were sold by the society direct for Rs. 7,011. Wages paid to the weavers amounted to Rs. 3,656-10-3 The profit on the year's working is estimated to be Rs. 1,100.

4. The staff of the Nagpur Society consisted of 1 Manager on Rs. 75, 1 Accountant on Rs. 40, 1 clerk on Rs. 30, 5 supervisors on Rs. 25 each and 2 peons on Rs. 12 each. The staff of the Kamptee society consisted of 1 Manager on Rs. 45, 4 supervisors on Rs. 25 each and 1 Chowkidar on Rs. 12. In March 1936, the manager of the Kamptee society resigned and one of the supervisors was appointed to act as manager on an extra allowance of Rs. 10 per month. The house rent paid for the Nagpur and Kamptee societies was Rs. 75 and Rs. 10 respectively. The expense on the staff of the two societies for the year ending the 31st March 1936 amounted to Rs. 4,693 and on contingencies and travelling allowance to Rs. 1,903. The total working expenses amounted to Rs. 6,596, leaving a balance of Rs. 3,334 from the allotment.

5. Some of the difficulties in the working of the scheme were explained in the previous report. While attempts were made to mitigate them, other unforeseen difficulties were encountered. The unreliable and irresponsible character of the weavers is well-known. The supervisors coming from the same stock proved equally unreliable with the result that when individual cases were scrutinized large amounts were found to be outstanding against the weavers as well as the supervisors. The wholesale purchaser who had contracted to buy the society's whole out-put resigned in December 1935. During the time he purchased the cloth he applied such rigorous tests that the number of rejected pieces was higher than the number accepted. The responsibility of selling the rejected pieces and the material woven after the purchaser resigned fell on the society. The cloth had to be sold at reduced prices according to the prevailing market rates and the society could not pay the weavers full wages till the cloth was sold. The reduction in the wages effected according to the reduction in the selling price and the unavoidable delay in payment of the wages resulted in discontent among the members and the outstandings against them went on increasing. Cases of malpractices by weavers and supervisors were brought to light when investigating the cases of outstandings against them and the energies of the staff had to be concentrated, during the latter part of the year, on investigating cases, preparing individual accounts and realizing the dues. Experience has shown that the method of issue of raw materials to the weavers should be modified and that a separate selling organization for marketing the society's cloth is necessary.

6. The society has, however, established reputation for the quality of its cloth. The Nagpur weavers' cloth is noted for its fine texture, but has lost its hold on the market owing to the lowering of the quality and short measurements. It is the aim of the society to establish a market for the Nagpur cloth which will be standard in quality and full in measurements. At present the produce of the society is limited to Deccani sarees 9 yards in length but the texture and quality of the cloth is such that it is likely to be appreciated in up-country places also. Some sarees of 6 yards in

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length were taken to the All-India Hand-Weaving Exhibition, Patna, last February and were readily sold. The following extract from the report of the Patna Exhibition would be interesting in this connection:—

> "The Central Provinces Court had on exhibition a large range of designs in Deccani sarees which created great interest. Owing to their low prices they were much in demand. But as the local market required 5 and 6 yards length sarees and goods on show were on 9 yards length this court lost some business".

It is proposed to expand the market for the Nagpur sarees in up-country places through canvassers and branch agencies in important centres.

7. The society of Chanda depressed class weavers which was registered early in 1934 was revived during the year. Two new societies, one at Chhindwara and the other at Ellichpur were organised, while attempts are being made to organise two more at Chanda and Umrer. After these societies are registered they will be affiliated to the central society at Nagpur and assistance will be given to them from the grant-in-aid in the shape of supply of raw materials or working expenses or both for some time till they become self-supporting.

8. Considering the character of the people for whom and through whom the society has to work and the continued economic depression, uniform success could hardly be expected. The scheme is inherently sound, and is likely to prove of lasting benefit to the industry, although the progress is slow. Experience in working the scheme has shown that some modifications in details are necessary.

Assam.

A contribution of Rs. 17,692 was sanctioned by the Government of India for the year 1935-36 for financing the following schemes for the development of handloom industry in the province—

I. Re-organization of the Government Emporium and Central Stores at Gauhati.

II. Establishment of a branch Emporium at Sylhet.

III. Appointment of Inspectors for organization and supervision of weavers' association and standardisation of products.

IV. Dyeing and Printing instructions to and through the peripatetic weaving parties.

Scheme I.—The Emporium with its dwindled assets was struggling hard for its existence. The grant of Rs. 2,500 to this useful institution out of the contribution sanctioned by the Government of India gave it a new lease of life and helped it to expand its activities. A marketing officer was recruited from Bengal in July 1935 but as he was not found suitable, he was discharged and Babu Rash Behari Das, L.T.M., Head Teacher of the Government Weaving Institute, Gauhati, was appointed to the post in October 1935. He toured extensively to study the important local markets and weaving centres and collected typical samples of fabrics which are generally in demand. These samples after they were finally approved were standardised. Some new patterns were also introduced. The local weavers and the ex-students of the Government Weaving

Institutes were asked to weave these patterns according to demands. They accepted the orders enthusiastically and executed them satisfactorily. The Emporium participated in 14 exhibitions held within the province and outside during the year.

Two Travelling Canvassers were appointed during the latter part of July 1935. They were engaged in propaganda and advertisement and also sent out into the interior of the province to effect sales and procure orders. The results so far obtained seem to be encouraging. The sales of the Emporium during the year amounted to Rs. 26,539 against Rs. 13,460 in 1934-35. The Emporium still suffers from financial difficulties. It cannot increase its sales without more money for the purchase of yarns, accessories etc., at wholesale rates. A portion of its stock was transferred to its branch at Sylhet.

Scheme II.—The branch Emporium at Sylhet was started on the 9th August 1936 in a rented house in the bazar. The staff consists of one Manager on Rs. 50 per mensem, a salesman on Rs. 40 per mensem and a Chowkidar on Rs. 15 per mensem. Looms, accessories, yarn and some cloths were sent to the branch from the main Emporium at Gauhati in the beginning but after a short time the weavers were induced to leave their fabrics with the branch for sale on commission. Some of the weavers were also supplied yarn for making fabrics according to the patterns given to them.

The working of the branch appears to be quite satisfactory as will be evident from the fact that it effected total sales of Rs. 4,872-10-3 and made a gross profit of Rs. 482-8-6 during 1935-36. The sales from 1st April 1936 to 31st August 1936 stood at Rs. 5,014-10-0.

The Emporium not only encourage weavers in the manufacture and the marketing of fabrics, but also are helping the local carpenters with orders for looms and accessories.

Scheme III.—Two Weaving Assistants of Peripatetic Parties, with some experience in Co-operative work were selected for the posts of the two Inspectors sanctioned for this scheme. They joined their appointments by the end of August 1935. They were given specific areas for work. Their duties are to make a survey of the important weaving centres, to organise Co-operative Weaving Societies in consultation with the local Co-operative Inspector and to improve the existing Co-operative Societies through Weaving. They are working in close co-operation with the officers of both the Co-operative and the Industry Departments

The Inspectors have been provided with a magic lantern each with adequate slides on weaving, co-operation and rural uplift. They visited 102 villages and 49 Co-operative Societies and organised 10 Weaving Societies and delivered 39 lantern lectures during the year.

Scheme IV.—A practical dyer with considerable experience in Cotton mills in Bengal was appointed as the Dyeing Supervisor in August 1935. He toured in the interior for 186 days and gave demonstrations in various places in dyeing of yarn and cloth in various shades. He visited 58 villages, 14 schools, 17 weaving and dyeing factories, 10 co-operative societies, some of the important local markets, the Sylhet Jail and attended some of the exhibitions held in the province. He conducted demonstration of various shades of indanthrene, napthol and sulphur colours to individual weavers, to amateur dyers, to students, to members of

societies, also to the Weaving Demonstrators of the Parties. The demonstration given by him were popular every where and over 2000 lbs. of yarn and cloth were dyed by way of demonstration during the period. A good deal of propaganda for fast colours has been done during the period under review and a good demand for fast dyeing and coloured fabrics has been created. The Dyeing Supervisor has helped in the successful introduction of new and popular shades.

A passed student of the Cawnpore Dyeing and Printing school with some business experience was appointed as Calico Printer during the latter part of July 1935. He was at first posted to Gauhati where he arranged for his blocks and colours and prepared some samples of various designs in the Government Weaving Institute. As soon as some typical and attractive samples of printed fabrics were ready, he conducted a series of demonstrations in the Government Weaving Institute for the benefit of the students. He then went out on tour to various important weaving centres in the province to popularise block printing with fast colours. He was on tour for 90 days upto the 31st March 1936. He visited 49 villages, 10 schools, 5 factories and participated in 4 exhibitions. His demonstrations were highly appreciated by the public. Some students received special training under him.

The total expenditure on the above schemes during 1935-36, amounted to Rs. 12,918-14-3.

These schemes, as subsequently modified *vide* Local Government letter No. 1860-E., dated the 14th July 1936, will cost about Rs. 24,450 during the current year as detailed below:—

	Rs.
Scheme I	8,080
Scheme II	4,900
Scheme III	4,000
Scheme IV	5,470
Aerograph printing set for the Surma Valley Technical School, Sylhet	2,000
Total	24,450

A sum of Rs. 20,185 will be required for the working of the schemes during 1937-38 as shown below:—

	Rs.
Scheme I—	
Establishment	3,593
Travelling allowance	1,500
Cost of looms and accessories	1,500
Contingencies	1,406
	7,999
Scheme II—	
Establishment	1,337
Contingencies	1,100
	2,437

	Rs.
Scheme III—	
Establishment	2,856
Travelling allowance	800
Contingencies	490
	4,056
Scheme IV—	
Establishment	3,018
Travelling allowance	1,000
Contingencies	1,675
	5,693
Total .	20,185

Burma.

The scheme was put into operation on the 15th December 1934 when a sale depot was opened in Rangoon under the name of the Burma Handloom Textile Depot. A small stock of silk and cotton goods was purchased from the handloom weavers of Shwedaung and Amarapura but it became apparent at once that if any good business was to result, the Depot must maintain a considerable stock of goods of all kinds in order that the needs of retail dealers in Rangoon may be met. The wholesale dealers therefore continued to send their buying agents to the principal weaving centres as the Depot was unable to meet their requirements. The stock could not be increased during the year 1934-35 as the allotment for the purchase of stock was only Rs. 2,500. Expansion took place to some extent during the year 1935-36 when it was found possible to provide the sum of Rs. 6,250 for the purchase of stock. But even then the Depot did not bring before the buying public of Rangoon all the different fabrics woven in various parts of the Province, and the present allotments are still inadequate. For instance, the silk cloths of Akyab and Tavoy could not, up to the present date, be stocked except in very small quantities. During the year 1936-37, the sum of Rs. 4,250 has been allotted for additions to the stock and it is hoped to have a good display in the Depot when the money has been spent. During the year 1935-36, small firms in Rangoon began to get their requirements from the weavers through the agency of the Depot which became a clearing house for the handloom products, and the trade done during the year 1935-36 was not inconsiderable, being Rs. 28,215-15-9. The difficulty has been to keep the Depot stocked with a sufficiently large quantity of goods to enable the dealers of Rangoon to make their choice. At present, about 75 per cent. of the goods on arrival are bought up by traders, leaving the balance to be disposed of to retail buyers. The result has been a period of comparatively little trade during the gap between the disposal of one lot of goods and the arrival of the next consignment of the weavers. Retail trade has never been brisk because it is the policy of the Depot to avoid competition with the small retail traders in the bazaar and prices, therefore, had to be maintained at the level of outside shops.

2. The business transactions during the year 1934-35 (3½ months) amounted to Rs. 2,325-12-6; during 1935-36 Rs. 22,397-9-9 and during 1936-37 up to date Rs. 6,184-9-0.

3. The staff of the Burma Handloom Textile Depot consisted of a Manager on Rs. 200 per mensem with a fixed conveyance allowance of Rs. 25 per mensem, a Cashier-Correspondence Clerk on Rs. 75 per mensem, 2 Assistants on Rs. 50 and Rs. 30 each per mensem and a Durwan on Rs. 18 per mensem. A Travelling Salesman was also appointed on Rs. 40 per mensem with a selling commission of 2 per cent., but little business was done outside Rangoon because the Burmese handloom weaver has still to be taught the value of standard colour and texture in the cloths he weaves. Designs also vary from time to time and no attempt is made either by the weavers to cater to the wishes of the general public in the matter of attractive designs and colours. The attempt to sell silk and cotton fabrics according to samples was a failure because of these shortcomings, and the results show that such sales for the present are not possible. Disappointment of the prospective buyer has often led to the loss of customs and future trade. The weavers' associations at Amarapura were consulted with a view to the standardisation of colour and texture, but little headway has so far been made in this respect. The only way in which standardisation of colour and texture can be insisted on is to get the weavers to execute large orders for various fabrics according to a fixed standard; but, for the present, this has not been possible and purchases have to be made in the open market from any stock of cloths produced by the weavers on their handlooms.

4. *Weaving Demonstrators.*—The number employed under the scheme for the improvement of the handloom weaving industry was three. The Saunders Weaving Institute, Amarapura, also sent 2 Demonstrators to tour in the districts. The total number of Demonstrators employed in teaching the people improved methods of weaving and dyeing was 12, including 7 men employed by District Councils in 5 districts. As there are about 38 civil districts in the Province, this number is totally inadequate. Handloom weaving is one of the most important of cottage industries and is carried on in almost every village. But the weaving appliances used by the villagers are in most cases crude and out of date, involving unnecessary labour and waste of time. But if these old implements should be replaced by modern and time saving ones, there is large field for Demonstrators who can be sent to various districts to introduce the latest methods of weaving and dyeing.

5. During the year 1935-36, the 3 Demonstrators employed under the Provincial scheme toured in the 5 districts of Magwe, Pakokku, Meiktila, Hanthawaddy and Rangoon. A number of small weaving establishments were set up in the neighbourhood of Rangoon as a result of their efforts. During the year 1936-37, they were employed in the 5 districts of Meiktila, Toungoo, Insein, Sagaing and Lower Chindwin. The demand from other districts could not as yet be met, but it is hoped to send a Demonstrator to each of the other districts by turn. But until further funds for more Demonstrators are provided, not much progress can be expected.

6. These Demonstrators have done much useful work not only in introducing improved appliances in handloom weaving but also in teaching the weavers the latest methods of dyeing in fast colours. An attempt is also being made to introduce the Jacquard loom amongst the weavers; but, hitherto, the prohibitive cost of these machines has prevented the

spread of its use. A cheaper type of Jacquard machine is now undergoing trial and it is hoped to introduce its use more widely when the Demonstrators take the field in the following year. One piece of useful work done by one of the Demonstrators has been the introduction of longyi weaving with cotton yarn of the finer counts in the village of Hanza in the Meiktila district where over 700 looms had hitherto been producing coarse cotton blankets on a large scale.

7. The industry was dwindling in this place owing to the market being glutted with these blankets, but its replacement with longyi weaving will no doubt help to improve the industry. Until all the weavers are properly trained, it is proposed to send the same Demonstrator to Hanza during the forthcoming field season.

8. *Exhibitions.*—The Burma Handloom Textile Depot took part in the Exhibitions of the Arts and Crafts of Burma held in Rangoon in the years 1935 and 1936. On both occasions, the Depot attracted a great deal of attention and was instrumental in bringing before the buying public the various kinds of cotton and silk fabrics woven in different part of the Province. The business done during the Exhibition of 1935 was Rs. 2,262-11-6 and in 1936 Rs. 3,267-13-6.

9. *Other Activities of the Burma Handloom Textile Depot.*—The Sale Depot also stocks for the convenience of the weavers a small quantity of weaving accessories of the latest kinds, and it has also succeeded in importing foreign yarn of the finer counts for the use of the handloom weavers. Rayon yarn has also been tried and this yarn is now being stocked for sale. The general complaint of handloom weavers was that they were forced to buy yarn at high prices from the middlemen and that the prices varied according to the demand of weavers and the quantity of stock held by large importers of yarn in Rangoon.

10. An attempt was therefore made to supply yarn in small quantities to the weavers of Amarapura through the agency of the Saunders Weaving Institute and, for this purpose, several bales of yarn were imported direct from the manufacturers. This supply from the Depot, though on a small scale, helped considerably in keeping down prices and, if the demand continues, it is hoped to increase the activities of the Depot in this direction in the near future.

Expenditure.

The expenditure incurred on the present scheme since its inception in 1934 is as follows:—

	1934-35. Rs.	1935-36. Rs.
(2b) Pay of Establishment (Temporary) (Non-Contract)	412	4,925
(3a) Allowances, Honoraria etc., Fixed	..	133
(3b) Allowances, Honoraria etc., Fluctuating	224	163
(4) Supplies and Services	2,500	6,229
(5) Contingencies	2,663	3,833
Total	5,799	15,283

The sanction of the Government of India for the development of the Handloom Industry was Rs. 7,500 in 1934-35, Rs. 17,000 in 1935-36, and Rs. 17,000 plus an additional allotment of Rs. 3,400 for the year 1936-37.

11. *General Remarks.*—The excessively keen competition set up by Japanese fabrics has been a real set back to the improvement of the handloom weaving industry which has not been able to overcome the general tendency of the people to buy only the cheap Japanese cloths in preference to the stronger but more expensive silks manufactured by handloom weavers. The silk weavers are now more or less dependent on men's wear, for the women of Burma have succumbed to the many attractive designs and colours produced with artificial silk at prices which defy competition. But the efforts of the Burma Handloom Textile Depot to popularise the use of handwoven silks by advertisement and by propaganda at exhibitions seem to have produced some results, because more Burmese silks are now seen amongst the Burmese ladies than has hitherto been the case. As regards cotton fabrics, the handloom weavers get only the wages of their labour, because the yarn is entirely imported yarn, mostly from Japan, and in many cases the handwoven product is a more costly article than the importations into Burma from India and other foreign countries where labour is cheap.

North-West Frontier Province.

A Government Weaving and Dyeing Institute was opened on 1st October 1935 with 6 Fly Shuttle Handlooms, 2 Pit Looms and 4 Pit Looms with Fly Shuttle arrangements. At the start there were about 10 students but the numbers rose late to 25 educated students and 7 weaver students.

One 200 Hooks, Jacquard, 2 dobbies, 1 Newar weaving loom, 1 puttu weaving loom, 4 fly shuttle handlooms 60" Reed space and 7 fly shuttle handlooms 36" Reed space were further added to enlarge the scope of training.

To develop the Local Industry of Lungi weaving so far on old country hand batten, the use of double Fly Shuttle battens has been introduced for the first time and 5 local lungi weavers are now being trained. Fine counts yarn 80s—10s after sizing is being used on these new type battens with increased efficiency in the production. The advantages in the use of warping mills over the old tedious system of warping have also been made known to the local handloom weavers.

The Institute is equipped with Bleaching, Dyeing and Finishing equipment, such as can be used in a Cottage Industry scale.

Students are trained in cotton, wool and silk weaving dyeing, bleaching and finishing and one of the students after a short training has started his own Weaving Factory.

The students have woven so far about 2,000 yards (about 30 designs) of cloth (cotton, woollen and silken), bleached, dyed and finished a proportion of it. During this course some cloth and yarn was dyed, bleached and finished by the students for the market.

To lower the cost in hand winding, hand machinery for bobbin and pirn winding has been ordered.

For the disposal of the cloth production at the Institute a Selling Agent has since been appointed but without a Calender finish it is difficult to

dispose of the out-put. The Government of India have, however, promised a grant of Rs. 10,000 for a 5 Bowls Calender provided this Province finds the balance *viz.*, Rs. 12,000.

This will be of great assistance to the Local Industry as it will be possible to give a finish to their goods at moderate rates and thereby increase their value and market.

Sind.

Before the separation of Sind, the scheme for affording marketing facilities to handloom weavers of that province out of the Government of India grant as sanctioned by the Government of Bombay, provided for the organization of an industrial association on co-operative basis in Hyderabad (Sind). The association was accordingly organized by the Marketing Officer, Bombay, Department of Industries and registered by the Registrar, Co-operative Societies, Bombay Presidency, Poona, on 10th March 1936. Further work in this connection had, however, to be suspended on account of separation of Sind.

2. The Government of Sind submitted a revised scheme, which was approved by the Government of India in July 1936. The main feature of this revised scheme is to proceed with the organisation of the Hyderabad Industrial Association referred to in the previous paragraph. The objects or this association are to supply raw materials to weavers as cheaply as possible, to advise them in regard to the production of attractive patterns, to market their finished products and to sell to them improved weaving appliances on hire purchase system. The Assistant Director of Industries, Sind, will guide and look after the working of the association with the help of a Textile Designer whose appointment is provided for in the scheme. The association will open a shop at Hyderabad to fulfil the objects of the association. Expenses on account of the salary, travelling allowance, etc., of the Textile Designer amounting to Rs. 2,005 per year and those due to overhead charges of the association's shop including the salaries of staff rental, contingencies, etc., amounting to Rs. 3,840 per year will be met from the Government of India grant. Other features of this revised scheme are as under:—

(*a*) Payment of Rs. 7,000 to the association to constitute its reserve, on the security of which its working capital may be borrowed from Co-operative Banks.

(*b*) Provision of Rs. 1,500 per year for subsidies payable on certain conditions to cloth dealers who deal in finished products of the association.

(*c*) Provision of Rs. 1,055 per year for advertisement of the association's products.

(*d*) A non-recurring provision of Rs. 500 for taking out new samples of cloth.

(*e*) A non-recurring provision of Rs. 500 for supplying improved weaving appliances to weavers on hire purchase system.

3. Steps will be taken to put the revised scheme into operation soon after the appointment of the Assistant Director of Industries, Sind, which is expected to be made shortly.

Orissa.

REPORT ON THE PROGRESS OF WORK DONE IN ORISSA FOR THE YEAR 1935-36 UNDER THE SCHEME FOR THE IMPROVEMENT OF HANDLOOM INDUSTRY IN BIHAR AND ORISSA.

At the beginning, the local market for handwoven goods was carefully studied, and as many as 48 different types of cotton fabrics, 25 varieties of silk goods and 7 woollen fabrics were designed and standardised with necessary specifications, etc., for manufacture by the weavers of Bihar and Orissa. The Organizer of weavers' societies after he had organized 3 societies in Darbhanga and one in Gaya, was deputed to Orissa in November 1935. A weaving supervisor was also appointed and posted there in January 1936. These officers devoted their time in organising weavers' societies in Bhadrak and Cuttack areas, but due to some difficulty no society could be started in 1935-36. Four individual manufacturing agents of Orissa, however, continued to manufacture and supply goods to the Marketing Organization and the same amounted to Rs. 5,311 during the year 1935-36 as shown below:—

	Rs.
1. Babu Madhia Mehar, Sambalpur	4,534
2. Babu Bhimleshwar Mehar, Sambalpur	239
3. Shelter Industrial School, Cuttack	510
4. Babu Hado Sen, Cuttack	28
	5,311

In January 1936, the Textile Assistant of the marketing organisation was deputed to Sambalpur to introduce some new designs. He successfully designed four samples of Sambalpur purdahs for which orders are being received. During the current year, Cuttack and Berhampur sarees were also purchased from a merchant of Cuttack and sent to all the depots for advertisement and sale. A few towels were also manufactured by Oriya weavers for the marketing organisation.

Finishing.—The erection of the finishing plant purchased for the marketing organization was completed at the end of January 1936. But as the arrangements for water supply and the appointment of a finishing master were not complete, the finishing plant could not be worked in 1935-36.

Marketing.—The Bihar and Orissa goods continued to be sold through the two foreign and a few Indian agents, the central marketing warehouse at Gulzarbagh, and four sales depots started at Jamshedpur, Ranchi Bhagalpur, Delhi, Simla and Patna in the course of November and January last. A sales depot at Cuttack could not be started in 1935-36 for various reasons.

Publicity.—The marketing organization participated in 12 exhibitions held in different parts of India and displayed therein Bihar and Orissa goods. Besides advertisement in newspapers, cinemas and posters, the Bihar and Orissa textiles were also exhibited in the British Industries Fair London, Poznan International Industries Fair in Poland, Prague Fair in Austria, Leipzig International Spring Fair in Germany and the Canadian National Exhibition at Toronto. In all these exhibitions Sambalpur

Purdahs and Orissa baskets received wide publicity. Special publicity was also given to the Orissa goods in the all-India handweaving exhibition held at Patna last February.

MEMORANDUM EXPLAINING THE BROAD OUTLINES OF AN INDEPENDENT SCHEME FOR THE DEVELOPMENT OF HAND-LOOM INDUSTRY IN ORISSA.

The Government of India have allotted to Orissa a sum of Rs. 9,400 for marketing the produce of handloom industry including Rs. 2,000 for the area transferred from Madras. Separate figures for the consumption of yarns not being available the grant was based on population. It is not known if the *ex*-Central Provinces area was included in the grant on population basis.

In the current year the marketing organisation has been kept joint with Bihar; the Co-operative Department has undertaken the manufacturing part of the organisation and the Industries Department, Bihar the marketing part at a cost of Rs. 5,825.

It is evident that Orissa should have a marketing organization independent of Bihar. To have an independent organization the following provisions are necessary:—

(1) A central depot for supply of yarn and sale of finished goods

(2) A dyeing section—to dye yarn of various shades for pattern weaving.

(3) Organisation for manufacturing and finishing textile goods.

The Central Depot.

A central depot for the supply of yarn to weavers is essential. This depot will distribute the yarn and collect the finished products for sale and should be situated at Cuttack. There should be a branch depot in every district. It will have a section for dyeing yarn. A working capital of Rs. 50,000 for this purpose will have to be provided by the local Government as an advance.

The main difficulty of the handloom weaver has been marketing which is the real crux of the whole problem of the handloom industry. But successful marketing pre-supposes efficient and organized production. The handloom weaver requires not only assistance in the marketing of his products, but also guidance in the efficient and economic production of goods which are marketable. The marketing organisation which is proposed to be set up for Orissa, will therefore necessitate the organisation of weavers' co-operative societies or the employment of master weavers in areas where societies cannot be formed or where there will be difficulty in working them. The marketing organization will thus consist of three sections, *viz.*, (*a*) Manufacturing, (*b*) Finishing and (*c*) Marketing, as indicated above. The main function of the manufacturing section would be to prepare specifications of different varieties of textiles which will be required for marketing and for securing standardization as far as practicable. It will also supervise actual production which will be undertaken through weavers' co-operative societies or failing such societies, through qualified master weavers who should preferably be trained men. The aim

will be to organize production as far as practicable through weavers' co-operative societies. Master weavers, if employed, will act as agents of the marketing organization.

The Business Manager, who will be in charge of the organization, after a careful study of the markets for cotton fabrics, will select a few samples of staple goods for manufacture. The samples with detailed instructions and specifications will be passed on to the weavers' societies or master weavers for the manufacture and supply of goods at rates previously agreed upon. With a view to standardize the quality of woven goods, the societies or master weavers will be required to buy their yarn either from the marketing organization or from approved cotton mills. The manufacturing section will therefore be required to maintain a yarn store at its headquarters attached to the Central Depot at Cuttack and to stock both grey and dyed yarn. The Store-keeper, subject to the general control of the Business Manager, will be in charge of this store and will receive and inspect the goods woven by members of weavers' co-operative societies or master weavers. Proper accounts will be kept in the forms to be prescribed which will be subject to audit by the Examiner of Local Accounts, Orissa. Finished goods will be paid for at prices which will allow reasonable wages to the weavers and profits to weavers' co-operative societies or master weavers. It will be the duty of the weaving supervisors of the demonstration parties of the Industries Department to see that the rates of wages fixed by the Business Manager are actually paid to the weavers. In special cases with the sanction of the Director of Development yarn and raw materials may be supplied on credit to the extent of one-third of the value of the goods ordered. All dues on account of such advances will however, be deducted from the subsequent bills of the parties for goods supplied.

In order that weavers' co-operative societies may be sufficiently developed to handle the business of the marketing organization it is proposed to continue the employment of one organizer and four supervisers of co-operative societies who had been carrying on the work during the current year under the temporary scheme sanctioned for 1936-37. The annual cost of this staff will amount to Rs. 5,600 as detailed in the enclosed statement of cost.

The cloth will be received in an unfinished condition from the weavers, and to make it marketable finishing is necessary which will be done at the central depot with a finishing plant.

The sale organization will be a separate branch, and the work will consist of canvassing and supplying to the branch depots and agents in India and overseas.

The finishing plant owned by Bihar was purchased out of the joint grant for Bihar and Orissa. Orissa cannot get the full benefit of it. Without a plant the independent marketing organization for Orissa will not be complete. The marketing organization depot of Bihar will no longer be responsible for the sale of Orissa goods. Patna being at a great distance, freight payable on goods sent there for finishing and on their return to the central depot at Cuttack will be heavy and increase the cost price to an appreciable extent so that the goods will not be able to compete either

in the local or in outside markets. The same remarks apply to the necessity for a dyeing plant. Moreover time lost in transit and while waiting for finishing or dyeing at Patna will be a loss from the business point of view. A finishing plant and a dyeing and printing section are therefore essential for the success of the scheme.

In the dyeing section, provision has been made for calico printing. Orissa produces coarse varieties of handloom cloth and these can sell in competition with other cloths if they are printed in attractive designs. A wholetime printer is therefore necessary to devote attention to this side of industry. A non-recurring provision for Rs. 2,000 has been made for purchase of printing apparatus and blocks and stencils on the Assam model.

Ground for Special Consideration.

In the absence of any cotton mill in Orissa this province gets its supply of cloth from local handloom weavers and cotton mills outside. There is a good deal of scope for the development of the industry.

(2) Orissa has not been much benefitted so far out of the joint grant for Bihar and Orissa as will appear from the enclosed copy of the report for 1935-36.

(3) This province has no well-equipped weaving institutions, such as other provinces possess, to carry on research for the benefit of the weaver population, as well as for the development of handloom industry.

(4) In spite of inadequate facilities for the improvement of handwoven fabrics, there are good textiles in Orissa. The Sambalpur weavers in particular can turn out attractive goods; but they need development and marketing.

(5) The handloom industry in Orissa is confined to backward castes; the weavers are illiterate and without capital. The majority take yarn on credit from the neighbouring cloth dealer and sell the goods to him getting little more than a day labourer's wages for their skill. If the present system is supplanted by the proposed marketing organization scheme it is expected that the condition of the weaver class in Orissa will improve substantially.

The taste of the people is changing and the rough unfinished goods are fast losing even the local market.

The points mentioned above are for the consideration of the Government of India for a special non-recurring grant of Rs. 27,000 for the purchase of a finishing plant and an Aerograph Printing Set with wooden blocks and stencils for 1937-38, and a recurring grant of Rs. 17,600 in addition to the grant of Rs. 9,400 already allotted to Orissa, every year from 1937-38. The cost of the scheme outlined above has been detailed in the enclosed statement.

The memorandum embodying a draft scheme has been prepared in the hope that the Government of India will, in view of the province's extreme poverty, allot more to Orissa than would be justified on a strictly population basis.

Statement of costs.

Recurring.

I.—Establishment—

(a) *Office of the Central Depot*—

	Rs.	
Business Manager	300	per month + ½ per cent. commission on all sales above Rs. 50,000.
Commercial Traveller	80	per month 5 per cent. commission on all sales effected by him.
Textile Designer	100	per month.
Accountant	50	,,
Store-keeper	40	,,
Clerk and Typist	30	,,
Two peons	20	,,
One orderly for Business Manager	10	,,
One night watchman	10	,,
	640 × 12 = Rs. 7,680.	

(b) *Finishing Section*—

Finishing master	100	per month.
Two mistries—one for bleaching and the other for calendaring and finishing	60	,,
Engine-driver	30	,,
	190 × 12 = Rs. 2,280.	

(c) *Dyeing and Printing Section*—

Dyeing Expert	75	per month.
One Calico-printing Expert	60	,,
Two mistries for dyeing and printing	50	,,
One mate	15	,,
	200 × 12 = Rs. 2,400.	

(d) *Office of the Director of Industries*—

One typist	35	per month.
	35 × 12 = Rs. 420.	

Total establishment	11,580

II.—*Travelling allowance*—

Travelling allowance of the Business Manager	500
Travelling allowance of the Commercial Traveller	500
	1,000

III.—*Contingencies*—

Rent and taxes	1,500
Labour charges, fuel, stores and contingencies of finishing department	1,500
Chemicals and colours of the dyeing and printing section	1,100
Miscellaneous contingencies of the above	500
Office contingencies of the central depot including packing, hot and cold weather charges etc.	500
	5,100

	Rs.
IV.—Subsidies to branch depots for shop rent and furniture 15×6×12	1,080
V.—Grant to Co-operative Department for organising and supervising weavers' societies—	
One Organiser at Rs. 100 per month	1,200
One orderly for the organiser at Rs. 10 per month	120
Four supervisors at Rs. 60 a month 4 × 60×12	2,880
Travelling allowance of the Organiser and his peon	600
Travelling allowance of Supervisors 4×10×12	480
Contingencies	320
	5,600
VI.—Advertisement, propaganda and participation in exhibitions and fairs	1,449
Total charges (recurring)	27,000
Non-recurring.	
(1) Finishing plant	25,000
(2) Aerograph Printing set	1,500
Wooden blocks and stencils.	500
Furniture and fittings.	3,000
	30,000

The cost of furniture and fittings are however, expected to be met out of th savings from the current year's grant So the net non-recurring expenditure i Rs. 27,000.

Delhi.

Delhi being a Centrally Administered Area has no provincial revenu of its own, and is dependant on the grant received from the Governmen of India. In view of the necessary funds having not been provided to giv effect to the original proposals or the expansion of the limited scheme of worl there was no alternative but to curtail activities to keep the expenditur within the limits of the sanctioned grant which is about one-third of tha asked for by this Department.

2. In view of the special circumstances obtaining in Delhi, an alto gether new scheme on the basis of the modified proposals for the organiza tion and development of the handloom and textile industries generally wa put into operation in the form of the establishment of the Governmen Cottage Industries Institute.

3. With the extension of the 2nd year class as well as addition to th curriculum of studies, larger accommodation has been provided for in a suitable central locality. The house in which the Institute was initially established was too small for corresponding expansion in hostel, class and other accommodation required for the purpose. In view of the consider able demand for admission in the Institute even this accommodation is inadequate and the number of students under training had to be limited to a capacity figure. Out of 344 applicants only 20 could be admitted and more than 300 had to be refused admission.

4. The Institute now has 20 students on roll in the 1st year and 19 in the 2nd year. In addition to the holding of regular classes, casual training has been provided to 47 candidates some of whom were already engaged in different sections of the industry. A dozen casual students have already set up small industries of their own. Three are engaged in weaving, four in dyeing and calico printing, two in washing, dyeing and dry cleaning and three in the manufacture of tapes and durries.

5. With a view to partially meeting the immediate public demand for improved training in different directions of the textile industry, additional equipments were provided for with the appointment of a demonstrator in the printing section.

6. Industrial training is the back-bone of cottage industries and during the period of the establishment of the Institute considerable progress was made towards promoting technical training. The Institute which is the pioneer institution of its kind in Delhi has in it the potentialities of great utility and real service to the province as a centre for industrial training. The Institute imparts free training in spinning, weaving including tapes and durries, gota making, manufacture of borders and carpets, dyeing and calico printing and dry cleaning and washing.

7. The Government Cottage Industries Institute participated in the All-India Industrial Exhibition held at Delhi; the Delhi Province Rural Exhibition and the Silver Jubilee Exhibitions which were organized by this Department and gave practical extensive demonstrations in calico-printing by different methods carding and spinning, blanket weaving, niwar making, warping, winding and reeling, towel and bath mats manufacture, durree-weaving, gota making and manufacture of saree borders on improved types of semi-automatic hand-operated and inexpensive looms and appliances. The indigenous handloom products were also on display. Three silver medals, three bronze medals, three cash prizes and one certificate of merit were won by the students of the Institute at the competitions held in the handloom section of the All-India Industrial Exhibition.

8. The Institute has organized a small show room in which the products of the students are on display. It was intended to maintain a representative collection of indigenous products for display with a view to promoting the local industrial enterprise and to establishing commercial contact between producers and consumers with the object of developing the handloom and textile industries in the province but the prescribed limit of grant and the lack of accommodation have prevented the offer of such facilities to this pioneer movement in this province. The students are also taught elementary lessons in salesmanship to enable them to dispose of their products without the help of the middlemen. The staff of the Institute with the help of the office of the Superintendent of Industries have continued to provide technical advice and assistance and commercial intelligence to industrial and manufacturing interests in matters relating to the availability of raw materials, markets for finished products, suitability of machinery and appliances, evolution of popular and attractive designs, processes of manufacture, etc.

9. The organization of a peripatetic demonstration party for the development of the handloom and allied industries was not possible in the absence of the provision of necessary funds by the Government of India. Periodic demonstrations were, however, given by the Institute, and the

products of its students have received a wide appreciation. In order to encourage students under training, a rebate is allowed to them on their manufactures. With a view to acquiring actual works experience under commercial conditions by the students, and to supplementing the instruction imparted at the Institute by practical training in commercial operations, the necessary facilities have been secured for such training with the co-operation of industrial establishments equipped with modern machinery and appliances.

10. The Institute has established a close contact with the local interests who have been given the fullest co-operation in matters affecting them. It is felt that in the coming year the demand for training may be much greater and if adequate funds are not provided many more applicants may have to suffer disappointment.

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Places selected for a preliminary Survey with a view to establish Weavers' Co-operative Societies which can be affiliated to the Central Society

No.	Name of place.	Taluk	District.
1.	Anekal.	Anekal	Bangalore.
2.	Motaganahalli.	Magadi.	
3.	Vadagenahalli.	Devanahalli.	
4.	Sindhughatta.	Krishnarajapet	Mysore.
5.	Somanahalli.	Maddur.	
6.	Hosaholalu.	Krishnarajapur	
7.	Kikkeri.	Krishnarajapur	
8.	Kodyala.	Mandya.	
9.	Ramasamudra.	Chamarajanagar	
10.	Grama.	Hassan.	Hassan.
11.	Arkalgud.	Arkalgud.	
12.	Basavapatna	Arkalgud.	
13.	Kallur.	Gubbi.	Tumkur.
14.	Annapura.	Tiptur.	
15.	Venkatapura.	Pavagada.	
16.	Hoskote.	Pavagada.	
17.	Gudibanda.	Gudibanda	Kolar.
18.	Tayilur.	Mulbagal.	
19.	Chikballapur.	Chikballapur	
20.	Kolar Gold Fields.	Bowringpet.	

Copy

23.11.37

Director.

39

MYSORE HANDLOOM WEAVERS' PROVINCIAL CO-OPERATIVE SOCIETY LTD.

PROSPECTUS.

(Registered under the Mysore Co-operative Societies Regulation No. of the

AUTHORISED SHARE CAPITAL. Rs.1,00,000.

Divided into 4,000 shares of Rs.25/- each.

Present issue 2,000 shares of Rs.25/-each.

The shares of the Provincial Society will be allotted to Weavers' Co-operative Societies in the Mysore State and to individuals and firms interested in the Handloom Industry. The share amount shall be paid in one lump sum on allotment. The maximum number of shares for any individual shall be Rs.200/-.

DIRECTORS.

The Board of Directors of the provincial Society will consist of 12 members as mentioned below:-

(1) The Director of Industries and Commerce in Mysore,

(2) The Registrar of Co-operative Societies in Mysore.

who shall be ex-officio members.

Five members elected by the General Body of the Society from among individual members holding not less than 20 shares each;

And Five members elected by the affiliated Primary Societies.

The President and Vice-President will be elected by the Board of Directors.

The Executive Committee of the Board of Directors will consist of 7 members including the President, Vice-President, Director of Industries and Registrar or Co-operative Societies, the remaining members being elected by the Board of Directors. One of the members of the Executive Committee will be a representative of the affiliat Primary Societies.

There will be a full time Secretary appointed by the Board and with the approval of the Registrar of Co-operative Societies.

TREASURER.

One of the Directors elected by the Board will be the

AUDITORS. 40

The Co-operative Department will audit the accounts of the Society.

BANKERS.

The Bank of Mysore, Limited.

TECHNICAL ADVISOR.

The Weaving Inspector, Government Weaving Institute, Bangalore.

REGISTERED OFFICE.

The following gentlemen have been nominated by Government as members of the Board of Directors for the first year, that is, 1937-

SCOPE AND PROSPECTS OF THE SOCIETY.

The Handloom Weaving Industry in the Mysore State is next in importance only to Agriculture and Sericulture in offering employmen to the people of the State. All the important raw-materials necessary, namely cotton, silk and wool are available in large quantitie in the State. There are 40,000 Handlooms working of which 30,000 weave cotton and silk fabrics and 10,000 woollen fabrics. The Handloom weaving Industry offers employment to nearly a lakh of persons. The total value of Cotton, silk and woollen fabrics produced on these looms is estimated at nearly 2 crores of rupees per year. There are seven weaving mills having a total number of 2,481 power looms and providing employment for 9,556 persons. The Mill production of cloth during the year 1935-36 amounted to 37,612,000 yards and the estimated production of cloth produced in the Handlooms in the State is 20,000,000 yards. There is a large export trade in coloured cotton and silk saries etc produced in the Handlooms in the State.

Handloom weaving is eminently suitable to the conditions of this State. Hand woven cloth wears well and stands frequent washing. It is also economical to produce certain styles of cloths on handlooms. The power required to work a Handloom is not in excess of what can be applied by the human body without fatigue. This factor combined with very low outlay required for production of cloth on the handloom as compared with the power loom and unlimited resources in man power which the large community of weavers represent in the State, places the handloom weaving industry in a very important position in the rural economy of the State.

The Handloom Weaving Industry in the State thus offers considerable scope for development. The industry needs only to be properly organized and financed to place it on a commercial footing. As the Committee on Co-operation in Mysore very aptly put it "The key to the problem lies in the supply of sufficient raw materials the profitable marketing of products, the guaranteeing of quality of goods, sound management and adequate funds. All these requirements indicate the need for the formation of a central organisation which can effectively solve the above problems and provide for expert advise and guidance.

In order to help the development of the Handloom Weaving Industry in the State the Government of Mysore through the Department of Industries and Commerce have been giving assistance in various ways. They have maintained a Weaving Institute where free training in weaving on handlooms is afforded. The Department has also a number of Weaving Demonstrators who tour round the rural areas in the State demonstrating improved weaving appliances. The Department also helps to supply such weaving appliances to the weavers. The Department of Industries has promised to help the Provincial Society by making available to it the advice and services of a Weaving Demonstrator and the designer and it is also intended in due course to get the co-operation of the Government Weaving Institute for establishing a finishing and calendaring plant.

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This Society will be composed of persons who sympathise with the lot of the handloom weavers, firms engaged in the production, distribution or sales of raw materials required by Handloom weavers and Co-operative Societies intended mainly for the benefit of weavers. The admission of individual members is intended to provide the Society with a disinterested, strong, influential body willing to work for the betterment of the lot of the weavers. The main objects and functions of the provincial Co-operative Society are as follows:-

(1) To supply raw-materials such as grey and dyed yarn etc., purchased at advantageous rates from the wholesale suppliers.

(2) To provide technical assistance, demonstration and supply of improved weaving appliances, supply of improved designs etc., with the co-operation of the Government Weaving Institute.

(3) Standardisation of fabrics woven on handlooms.

(4) Assistance for marketing the products of the several weavers' societies affiliated to the Central Society, if necessary by opening sales depots at different trade centres, by appointing commercial travellers etc.

(5) To provide facilities for supply of slized warp yarn, for finishing and calendering the fabrics produced by the several weavers under the control of the Society with the co-operation of the Government Weaving Institute.

The net profit of the Provincial Society as declared by the Registrar year after year shall be disposed of as shown below:-

(1) 25 per cent of the amount shall be carried to the credit of the Reserve fund.

(2) 25 per cent may be distributed as dividend annually to the members subject to a maximum of 7½ per cent per annum on the paid up value of each share.

(3) Out of the remainder such amount not exceeding 25 per cent as may be decided by the General Body may be devided among the affiliated primary societies according to the value of finished products delivered to the Provincial Society and of raw materials purchased from the Provincial Society.

(4) The balance of the profits or a portion of the same as may be fixed by the general body may be used for such purposes as may be decided upon by the General Body to benefit the handloom industry or to improve the economic conditions of the weavers and

(5) The balance if any shall be added to the Reserve fund.

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Applications for shares in the Provincial Co-operative Society shall be made in the prescribed form attached which can be obtained from the Society and should be forwarded to the Secretary of the Society together with the full amount of the share money and entrance fee of 4 annas per share. A copy of the By-laws framed for this Society can be obtained at a cost of .....

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kss.4)

'THE MYSORE HANDLOOM WEAVERS' PROVINCIAL CO-OPERATIVE SOCIETY LIMITED.

FORM OF APPLICATION FOR MEMBERSHIP.

---

1. Name in full.

---

2. Age and date of birth.

---

3. Residential Address.

---

4. Occupation and office address.

---

5. Number of shares required at Rs.25/- each.

'lace.....

'ate.....

Signature.

kss.4)

THE

Madras Handloom Weavers' Provincial Co-operative Society, Ltd.,

No. X. 84.

Madras.

Registered under the Co-operative Societies,
Act VI of 1932.

FIRST ANNUAL REPORT 1935—36.

PRINTED AT
THE CENTRAL CO-OPERATIVE PRINTING WORKS, LTD., MADRAS.

The following gentlemen have been nominated by Government as members of the Board of Directors for the first year 1935-36.

1. M. R. Ry. Dewan Bahadur T. A. Ramalingam Chettiar Avl., B.A., B.L., M.L.C., Coimbatore—*President.*

2. M. R. Ry. M. Subbaraya Iyer Avl., B.A., B.L., Advocate, Mylapore, Madras—*Vice-President.*

3 The Registrar of Co-operative Societies, Madras.
4 The Director of Industries, Madras.
5 The Principal, Government Textile Institute, Madras.
} *Ex-Officio.*

6 M. R. Ry. Dewan Bahadur A. Appadurai Pillai Avl. M.A., I.S.O., M.L.C., Poonamallee High Road, Madras—*Treasurer.*

7 Mr. J. M. Doak, Madura Mills Co., Ltd., Madura. (Resigned on 14-3-36)

8 M. R. Ry. R. Suryanarayana Rao Garu, B.A., Tanur Weavers, Co-operative Society, Tanur, S. Malabar.

9 M. R. Ry. A. S. Lakshmana Iyer Avl., Madura Sourashtra Co-operative Bank, Ltd., Madura.

10 M. R. Ry. A. Chellappa Mudaliar Avl., Takkolam Weavers' Co-operative Society, Thakkolam, N. Arcot Dt.

11 M. R. Ry. A. Ganesa Mudaliar Avl., Iyengarkulam Anjaneyaswami Co-operative Society, Iyengarkulam, Chingleput Dt.

12 M. R. Ry. S. Thammanna Chettiar Avl., B.A., B.L., Salem, Weavers' Co-operative Society, Salem.

13 M. R. Ry. V. Iswaran Chettiar Avl., B.A. B.L., Devanga Weavers' Co-operative Society, Coimbatore. (Elected on 14-3-36)

14 M. R. Ry. A. Ranganatha Mudaliar Avl., B.A., B.L., M.L.C., Hospet, Bellary District.

15 M. R. Ry. P. S. G. Ganga Naidu Garu, Managing Agent, Ranga Vilas Mills, Peelamedu, Coimbatore.

(*Elected as members of the Executive Committee.)

To

THE SHARE-HOLDERS OF

The Madras Handloom Weavers' Provincial Co-operative Society, Ltd., No. X. 84.

The Executive Committee of the Madras Handloom Weavers' Provincial Co-operative Society Ltd., No. X. 84 beg to present their first annual report on the working of the Madras Handloom Weavers' Provincial Co-operative Society for the Co-operative year ending 30th June 1936.

1. The Madras Handloom Weavers' Provincial Co-operative Society, Ltd., No. X-84 was registered on 2—4—1935. The Board of Directors for the first year was nominated by the Government in their order No. Ms. 968 Development dated 13th July 1935 and the society started work on 12—8—1935. The Secretary and the Marketing Officer were appointed on 16—9—1935 and 17—9—1935 respectively and regular working was commenced in October 1935.

2. During the year under report, 8 meetings of the Executive Committee, 5 meetings of the Board of Directors and one meeting of the General Body were held. The attendance at all the meetings was satisfactory.

3. On 30—6—1936 there were on the rolls 55 individuals and firms (47 individuals and 8 firms) and 43 societies and the share capital contributed by them were Rs. 13,700 and Rs 2,700 respectively aggregating to Rs. 16,400.

4. The scheme of working of the society was framed by the then Director of Industries, Madras and approved by the Local Government and sanctioned by the Government of India in their Telegram No. 1354 dated 1st February 1935. The Government of India have sanctioned a subsidy of Rs. 26,500 for the year 1934—'35 and Rs. 59,500 for the year 1935—'36 for rendering help to the handloom industry in the

Madras Province. Out of this subvention all the administrative expenses are being met. It took some time for the Government to pass orders sanctioning the first instalment of grant to the society and it was actually received in December 1935 and so the subsidies to societies and other help could not be sanctioned until January 1936. Since then the Government of Madras have been paying to the society from the subsidy the expenses incurred at the end of each quarter. The amount drawn during the period under report from this subvention amounts to Rs. 21,831-10-0. The scheme as framed, was followed throughout the year with a few minor modifications.

5. The weavers are economically on a very low scale. They are not in a position to purchase raw materials necessary for their business nor to maintain themselves for any length of time if the products are not sold immediately. They are not thrifty and many of them are given to drinking. On account of their economic condition they have to be under the complete control of the master weavers who naturally exploit them to their own advantage. They are also very conservative and not ready to adjust their products to the requirements of the market. Societies are formed for improving the status and habits of these people and organize them for production to meet the conditions of the market. This is uphill task. In addition to the supply of raw materials the societies also want finance for paying wages and to meet other expenses. There is no provision now to extend to them this help.

6. There were in existence when the Provincial society was formed, 39 weavers' societies registered under the Co-operative Societies Act. Most of them were merely credit societies. There was very little of production work actually done by the primary societies except the two big societies *viz.*, the Coimbatore Devanga Weavers' Co-operative Society and the Salem Weavers' Co-operative Society. The scheme of work outlined for the Provincial society was the formation of a number of production societies in the mofussil which were to be helped with subsidy to meet their administrative expenses,

the supply of raw materials to them for production and arrangements for the sale of the finished products. Of the societies already in existence 30 were converted into production societies in the course of the year and 13 societies were newly organized for production. Thus at the end of the year there were 43 registered societies which were undertaking production.

7. Subsidy was sanctioned to 31 societies to meet their monthly running expenses ranging from Rs. 10 to Rs. 50 per society and this aggregated to Rs. 3,371 upto 30—6—1936. The three large societies viz. Salem Weavers' Co-operative Society, Madura Weavers' Co-operative Society and Coimbatore Devanga Weavers' Co-operative Society, applied for special grants to help them in the marketing of products. The Coimbatore and the Salem Weavers' Co-operative societies were receiving help from the Government in the past. As the subsidy required by these societies were large and were not contemplated in the original scheme of the Provincial society, the Board of Directors forwarded their applications to the Government as early as 16—9—1935 and the Government have not yet passed orders. For want of help required, these societies are not able to develop their activities to the best advantage of weavers. It is hoped that the Government will soon pass orders on these applications and give substantial help to these societies.

8. On the application of the societies the Deputy Registrars recommend the amount upto which each society may be supplied with raw materials. The societies themselves specify the kind of yarn they require and the mill from which they want the supply. Five mills have agreed to supply yarn to these societies on the guarantee of the Provincial society and allow credit for 30 days and also give to the Provincial Society the same commission as they allow to their depot-keepers. One half of the commission is paid to the Societies. The Provincial society considers the application of each society and the recommendation of the Deputy Registrar and fixes the limit upto

which guarantee will be given to the mills for supply of yarn. This is communicated to the mills. The societies give orders directly to the mills and copies of the same are communicated to the Provincial society. If the societies are not able to pay back the price of yarn supplied within 30 days, as is always the case, the Provincial society pays the money and charges interest at 6 per cent per annum on the money advanced. The primary society pays back the money as soon as the finished products are sold. When the finished products are sent to the Provincial society for sale, the sale proceeds are credited to advances made. For the supply of raw materials arrangements were made with the five spinning mills to supply yarn to 19 societies. The amount of guarantee given to the mills for the supply of yarn to societies aggregate to Rs. 29,420. But as a matter of fact the actual supply of yarn made to the societies upto 30-6-1936 amounted only to Rs. 12,364-7-3. Out of this amount Rs. 3,214-7-0 was paid by the societies and Rs. 5,421-2-6 was paid by the Provincial society on behalf of the societies leaving a balance of Rs. 3,728-13-9 due to the mills at the end of the year.

9. For the supervision of these societies and for helping in the marketing of the products of the societies, the Presidency was divided into 7 circles subsequently reduced to 5 and supervisors were appointed. The work of the supervisors is to find sales locally for the products and if that was not possible to try new markets through the Marketing Officer. During the year various attempts were made to find a regular arrangement for the sale of the finished products. First, merchants were approached to effect wholesale sale of cloths. There was no encouraging response. Then the co-operative societies working in the City were approached. While terms demanded by them were very high, some of them were not prepared even to undertake sales on behalf of the Provincial society on consignment basis. Under these circumstances it was considered that the only solution that remained was to open a number of sales depots in the City and in the mofussil to undertake the sales. The Board of Directors resolved to open an Emporium in Madras and sales depots at Bezwada, Madura and Calicut. The Emporium

was opened by the Hon'ble Mr. P. T. Rajan, B.A., (Oxon.), Bar-at-Law, Minister for Public Works, Government of Madras, on 5-6-1936. Arrangements are being made to open the sales depots at Bezwada, Madura and Calicut. The great difficulty in the movement is to find regular sale for the finished products of the weavers as it is necessary to get a prompt and regular sale if the weaver is to get continuous employment. The difficulty in supplying wholesale dealers and large orders consists mainly in not having a standard quality of goods and want of manufacture of the particular patterns required by merchants in our Societies. There has been an enquiry for large quantities of Madras Handkerchiefs and lungis. There were no societies working for the supply of this line of goods. Three new societies are being organized for supply of these goods at Kalamanayudupettah, Madarpakkam and Washermanpet. For some goods calendering is considered necessary if a large sale is to be effected. There has been a demand for calendering plant to deal with handloom woven cloth for a long time. Even in the scheme proposed by the Director of Industries for the Provincial society, mention is made of the need for a finishing and calendering plant. The Board has resolved to erect a calendering and finishing plant in Madras and this was included in the budget which was approved by the Government of India and the Government of Madras, Development Department in G. O. No. Ms. 1003, dated 22—6—1936. Quotations have been called for from the suppliers of this machinery and they are being scrutinised by the Director of Industries, Madras. Early steps will be taken to erect this plant and thus meet one of the needs felt.

10. The products of some of the societies were exhibited at the Park Fair Exhibition held in December 1935 and in a temporary shop opened at Mylapore during Mylapore festival for purposes of advertisement, propaganda and sale. At the Park Fair, the carpets from Bhavani, the dhoties, towels and shirtings from Kavundapadi weavers' cooperative society and the sarees from the Madura weavers' co-operative society were found popular. The products from the Salem weavers' co-operative society, Guntur weavers' co-operative society,

Peddapuram weavers' co-operative society and Adoni weavers co-operative society were also exhibited. The sales at the exhibition amounted to Rs. 876-9-6. In Mylapore, the sarees of Pedana weavers' co-operative society, the towels and striped the shirtings of Melapalayam weavers' co-operative society and the dhoties from Kavundapadi weavers' co-operative society were found to be in demand. Goods from Salem weavers' co-operative society, Koyamballi weavers' co-operative society, Madura weavers' co-operative society, Minnal weavers' co-operative society, Iyengarkulam, weavers' co-operative society and Devikapuram weavers' co-operative society were also exhibited. The sales amounted to Rs. 346. Goods of the following societies were also exhibited at the Chitra Pournami Festival at Madura and Ani Festival at Tinnevelly.

1. Coimbatore Devanga Weavers' co-operative society.
2. Koyamballi weavers' co-operative society.
3. Salem weavers' co-operative society.
4. Madura weavers' co-operative society.
5. Guntur weavers' co-operative society.
6. Kavundapadi weavers' co-operative society.
7. Iyengarkulam weavers' co-operative society.
8. Bhavani weavers' co-operative society.
9. Narasannapetta weavers' co-operative soceity.

The sales at these centres amounted to Rs. 738 and Rs.126 respectively. The cost incurred in sending the goods and exhibiting them at the several fairs amounted to Rs. 225-5-9. At the Park Fair a gold medal was given to the society by the Exhibition Committee for our exhibits and at Tinnevelly and Madura, certificates of merit were awarded to the society.

11. The Registrar of Co-operative Societies, Madras was pleased to advise the Deputy Registrars to issue the audit certificates of the weavers' societies affiliated to the Provincial Co-operative Society on or before 7—7—1936 and send copies of the same to the Provincial society. The audit reports and the certificates of all the affiliated weavers' societies except those of (1) the Iyengarkulam weavers' co-operative society, (2) the

Hospet weavers' co-operative society and (3) the Madura Sourashtra Co-operative Bank have been received. The Madura Sourashtra Co-operative Bank is purely a credit society. As the audit reports of the other two weavers' societies referred to above have not been received till 4—8—1936, the financial and other particulars of these two weavers' societies could not be embodied in the report. The number of members and the paid-up share capital in the forty societies were 2,538 and Rs. 40,394 respectively on the last day of the year. The instalment of share capital in arrears on the same date was Rs. 2,394. The share capital invested in the Provincial society by all the 43 affiliated societies was Rs. 2,700. The deposits from members and borrowings from Central Banks inclusive of non-members' deposits held at the end of the year in the 40 societies were Rs. 4,846 and Rs. 64,997 respectively. The value of goods bought during the year inclusive of stock at the beginning of the year was Rs. 1,47,063. Out of this, goods of the value of Rs. 87,877 were sold for Rs. 1,00,074 during the year leaving a stock of Rs. 59,186 on the last day of the year. The value of finished goods alone on hand on the last day of the year was Rs. 54,498. The three big societies, viz. Salem weavers' co-operative society, Coimbatore Devanga Weavers' Co-operative Society and the Madura weavers' co-operative society were responsible for heavy stock of the finished goods of the value of Rs. 45,234 on the last day of the year. The value of finished goods in the other societies was only Rs. 9,264 on the last day of the year. The reserve fund invested in other institutions were Rs. 5,552 while the uninvested reserve was Rs. 3,136 on the last day of the year. The establishment and contingent charges incurred by the primary weavers' societies were Rs. 10,618 during the year. 26 societies worked at a net profit of Rs. 2,320 and ten societies at a net loss of Rs. 7,012 while 4 societies had neither profit nor loss during the year.

12. A Marketing Officer was appointed on 17-9-1935. He studied the conditions of production in the societies and the possible markets for them. There was also a Secretary working in the office. The Board at its meeting held on 14-3-'36 felt that

there was no need to have two separate officers on high pay and resolved to request the Government to lend the services of a Sub Deputy Registrar to serve as Secretary and Marketing officer combined. M. R. Ry. C. M. Bhimaraya Mudaliar, Sub Deputy Registrar of Co-operative Societies, who has already served as the Marketing Officer for the Salem weavers' co-operative society and thus had experience in the working of a weavers' co-operative society and the marketing of its products, was appointed and he took charge on 27-3-1936. He is in general charge of all the work of the Provincial society and tours about 15 days in a month both for the purpose of supervising the societies and studying the markets available for the handloom products and how the products in the societies could be adjusted to meet the requirements of the markets. He is also supervising and co-ordinating the work of the supervisors. During the three months after his appointment he visited 12 societies out of 42 societies affiliated to the Provincial society. He also submitted detailed reports of each of the societies visited by him. There are now five supervisors stationed at Pedana, Bellary, Conjeevaram, Bhavani and Calicut. One of the supervisors is being tried as Cloth Designer from 9-4-1936 and he has drawn designs for borders for dhoties and sarees. It is proposed to send him to Salem where on account of the competition of the Japanese goods, the weavers have been put out of work to persuade them to take up work in other lines which are likely to find a better market.

13. The audit certificate of the Provincial society for the year under report issued by the Registrar of Co-operative societies, Madras is appended. The society earned a net profit of Rs. 596-7-7 during the year.

14. As stated above the paid up share capital of the society amounts to Rs. 16,400 while the society has already given guarantee to the mills for supply of yarn to the affiliated societies to the extent of Rs. 29,420. Working capital is also necessary for financing the Emporium opened in Madras and the sales depots proposed to be opened at Bezwada, Madura

and Calicut. It is not expected that there will be many applications for shares in the near future. On the other hand there will be at the end of the year a balance of about Rs, 30,000 in the subsidy received from the Government of India after meeting all the expenditure budgetted for and after erecting the calendering and finishing plant. It is expected that there would be some saving in the expenditure budgetted as some time has already passed in the year and all the items of expenditure provided in the budget are for the whole year. The Board has resolved therefore to request the Government to make available to the society a sum of Rs. 40,000 for working capital out of the Balance of the Government of India subsidy with the Government of Madras. It is hoped that the Government will pass early orders in the matter and make the funds which are now lying idle, available for the working of the society. Without this help it will not be possible to expand the work or extend the usefulness of the society or start new societies in the mofussil.

15. The thanks of the society are due to the Registrar of Co-operative societies, the Director of Industries and the Textile Expert for help rendered from time to time.

16. The society appeals to the public that they will evince interest in the amelioration of the weavers and purchase goods woven on handlooms and also take shares in the Provincial weavers' society.

By Order,

MADRAS:
4-8-'36.

C. M. BHIMARAYA MUDALIAR,
Executive Officer.

AUDIT CERTIFICATE

BY

M. R. Ry. M. Giriappa Avl., B. A.,

Registrar of Co-operative Societies, Madras,

ON THE AUDIT OF ACCOUNTS OF THE

Madras Handloom Weavers' Provincial Co-op. Society, Ltd.

For the year ended 30th June 1936.

The Madras Handloom Weavers' Provincial Co-operative Society was registered in April 1935 and started on work in August 1935. The accounts of the society for the year ended 30th June 1936 as audited by M. R. Ry. V. Bhaskara Ayyar, Inspector of co-operative societies are passed. The statements of Receipts and Disbursements, Assets and Liabilities and Profit and Loss as furnished by him, are appended.

2. *Members and share capital* :—This is the first year of the working of the society. The members on rolls and the paid up share capital were as shown below :—

	Admitted.		At the end of the year.	
	No. of members.	Paid up share capital.	No. of members.	Paid up share capital.
		Rs.		Rs.
Societies ...	43	2,700	43	2,700
Individuals ...	47	11,850	47	11,850
Firms ...	8	1,850	8	1,850
	98	16,400	98	16,400

3. *Borrowings* :—There were no borrowings.

4. *Working* :—The society received from the Government

yet due from Government for the last quarter of the year 1935-'36. Out of the subsidy, a sum of Rs. 3,371 was paid as grant to 25 primary societies towards their establishment charges and purchase of weaving appliances. The balance was utilized for the working expenses of the Provincial society.

The society advanced to primary production societies Rs. 5,421 for the purchase of yarn of this Rs. 2,607 was repaid by the societies during the year. Credit purchases for Rs. 8,003 were also made. During the year, cotton fabrics of 23 primary societies to the value of Rs. 3,260 were sold through the Provincial society. At the end of the year the society held on hand a stock of Rs. 2,677.

Towards the close of the year an emporium was opened in the China Bazaar, Madras.

5. *Net Profit*:—The society earned a net profit of Rs. 596-7-7 for the year. Out of this, one-fourth namely, Rs. 149-2-0 has to be carried to the Reserve fund of the society under by-law 34(1) and the balance may be distributed in accordance with the other clauses of the by-law.

6. *Reserve fund*:—A sum of Rs. 149-2-0 with any other amount that the general body may allot in accordance with the by-laws may be invested as Reserve Fund in any manner permitted under the Madras Co-operative Societies Act VI of 1932.

(Sd.) M. GIRIAPPA,
Registrar.
18—7—1936.

(True copy).

(By order)
(Sd.) K. A. PADMANABHAN,
Manager.
23—7—36.

Receipts.

		Rs.	A.	P.	Rs.		
1.	Share Capital Societies ...	2,700	0	0			
	Individuals ...	11,850	0	0			
	Firms ...	1,850	0	0	16,400	0	0
2.	Deposits and Borrowings from ...						
	(*a*) Members						
	Consignments ...				8,017	14	7
	(*b*) Non-Members.						
	Credit Purchases returned ...	2,147	11	2			
	Allowances and commission on credit purchases.	291	13	4	2,439	8	6
3.	Advances for yarn ...	...			2,607	7	7
4.	Sale proceeds Credit ...	207	0	7			
	Cash ...	3,053	2	6	3,260	3	1
5.	Interest	...			50	4	9
6.	Miscellaneous income—						
	i. Entrance fees ...	83	4	0			
	ii. Interest on investments.						
	(*a*) Current account ...	71	2	0			
	iii. Other heads—						
	1. Sale of by-laws ...	10	7	9			
	2. Sale of Samples ...	30	6	0			
	3. Commission for yarn Sale ...	112	2	3			
	4. Others ...	0	2	9	307	8	9
7.	Adjusting heads—						
	(*a*) Due to society.—						
	Credit sales ...	48	8	3			
	Advances recovered ...	88	0	0	136	8	3
	(*b*) Due by society—						
	Suspense repaid ...	465	13	11			
	Advance interest realised.	4	8	6			
	Yarn account ...	5,588	6	5	6,058	12	10
8.	Grants—						
	Subvention from Government (recoveries towards subvention).	...			21,831	10	0
	Excess T. A.—						
	received from Secy.	67	6	0			
	Pay	2	1	0			
	mission to Bank recoed.	7	1	0	76	8	0
	Total ...	...			61,186	6	4
	Opening Balance ...	...			...		
	Grand Total ...	...			61,186	6	4

Disbursements.

	Rs.	A.	P.	Rs.	A.	P.
1. Share Capital.						
2. Deposits and borrowings—						
(*a*) Members						
i. Consignments ...	...			2,454	14	1
(*b*) Non-members						
i. Credit purchases ...	8,002	9	0	8,002	9	0
3. Advance for yarn issued ...	...			5,421	2	6
4. Stock bought Cash ...	12	12	6			
Credit ...	2,309	9	3	2,322	5	9
5. Railway freight and conveyance charges ...	...			191	4	6
6. Adjusting heads due to co-operative society.						
Credit sales ...	207	0	7			
Advances ...	713	11	1	920	11	8
Due by society.						
Suspense repaid ...	444	9	11			
Yarn account ...	5,588	6	5	6,033	0	4
7. Grants and expenditure from subvention received ...	...			23,534	10	5
8. Investments made—						
1. Deposit in Reserve Bank ...	817	8	0			
2. M. P. C. B. Prudential Dep. ...	2,500	0	0			
3. Postal Saving Bank ...	2,500	0	0	5,817	8	0
9. Total ...				54,698	2	3
10. Closing balance ...				6,488	4	1
11. Grand Total ...				61,186	6	4

Assets.

	Rs.	A.	P.
1. Cash—			
1. Cash on hand	306	11	9
2. M.P.C.B. current account	6,181	8	4
2. Other investments—			
1. Fixed deposit in Reserve Bank ...	817	8	0
2. Prudential deposit in M.P.C.B. ...	2,500	0	0
3. Postal Savings Bank	2,500	0	0
3. Loans due by members—			
Advances for yarn	2,813	10	11
4. Interest accrued on loan	2	1	6
do. on investment and commission ...	43	9	4
5. Subvention due from Government ...	3,303	15	9
6. Value of stock on hand (actuals)	2,677	4	8
7. Adjusting heads (specify)—			
1. Credit Sales	158	8	
2. Advances	625	11	
3. Value of stock not actually accounted for ...	22	9	0
8. Total Assests	21,953	2	8

Liabilities.

1. Share Capital	16,400	0	0
2. Establishment and contingent charges due payable from subvention due ...	1,677	7	4
3. Other items—			
1. Credit purchases	3,253	7	3
2. Suspense	21	4	0
3. Advance interest	4	8	6
4. Total liabilities	21,356	11	1
Net difference between assets and liabilities plus ...	596	7	7

Profit and Loss Account.

	Rs.	A.	P.	Rs.	A.	P.
Profit—						
1. Interest earned.						
1 (*a*) Realized ...	50	4	9			
Add—						
Interest accrued, bur not overdue.	2	1	6			
Total ...	52	6	3			
Deduct interest accrued, at the end of the previous year.						
Net ...	52	6	3	52	6	3
2. Gross profits as per trading account.	...			384	3	9
3. Miscellaneous income.—						
i. Amount realized ...	307	8	9			
Add—						
ii. Amount pending recovery,	43	9	4			
Total ...	351	2	1			
Deduct—						
iii. Amount pending realization at the end of the previous year.	...					
Net ...	351	2	1	351	2	1
Total ...	...			787	12	1
Loss—						
1. Establishment and contingent charges paid and due ...	...			191	4	6
Total ...				191	4	6
2. Net profit ...	...			+596	7	7
Total ...				787	12	1

NAMES OF AFFILIATED WEAVERS' CO-OPERATIVE SOCIETIES AS ON 30—6—'36.

	Name of the Society	District.
1	The Narasannapettah Weavers' C. S. ...	Vizagapatam.
2	The Katheru Weavers' Co-op. Purchase and Sale Society.	E. Godavary.
3	The Peddapuram Weavers' C. S. ...	,,
4	The Ramasastri Spinners' and Weavers' purchase and Sale C. S.	Kistna.
5	The Pedatumidi Blanket Weavers' Purchase and Sale Society.	,,
6	The Pedana Weaver Co-op. Purchase and Sale Society.	,,
7	The Guntur Weaver Co-op. Purchase and Sale Society.	Guntur.
8	The Guduru Weavers' C. S.	Kurnool.
9	The Parla Cumbli Weavers' C. S.	,,
10	Kurnool Handloom Carpet Weavers' Co-op. Purchase and Sali Society.	,,
11	Salkapuram Cumbly Weavers' C. S. ...	,,
12	The Adoni Swakula Sali Co-op. Purchase and Sale Society.	Bellary.
13	The Hospet Weavers' C. S.	,,
14	The Rayadrug Weavers' C. S.	,,
15	The Dharmavaram Weavers' C. S. ...	Anantapur.
16	The Uravakonda Weavers' C. S. ...	,,
17	The Tenegal Cumbly Weavers' C. S. ...	,,
18	The Devikapuram Kasba C. S.	N. Arcot.
19	The Takkolam Weavers' C. S.	,,
20	The Pallikonda Weavers' C. S.	,,
21	The Panchamuga Vinayagar Sengunthars Purchase and Sale Society.	
22	The Gururajapet Weavers' Co.-op. Purchase and sale society.	,,
23	The Gudiyattam Shanmugar Weavers' Co-op. Purchase and sale society.	,,
24	The Sathvachari Co-op. Purchase and sale society.	,,
25	The Iyengarkulam Anjaneya C. S. ...	Chingleput.
26	The Kachabeswarar Pillapalayam C. S. ...	,,
27	The Kesavanallathur Weavers' C. S. ...	,,

28	The Ekkadu Weavers' C. S.	...	Chingleput.
29	The Rosenagaram Weavers' C. S.	...	,,
30	The Salem Weaver's C. S.	...	Salem.
31	The Devanga Weavers' Co-op. Purchase and sale society.		Coimbatore.
32	The Kavundapadi Weavers' Co-op. Purchase and sale society.		,,
33	The Bhavani Weavers' C. S.	...	,,
34	Koyamballi Weavers' C. S.	...	Trichinopoly.
35	The Kulithalai Weavers' C. S.	...	,,
36	The Wraiyur Devanga Handloom Weavers' C. S.		,,
37	The Madura Sourashtra Co-op. Bank	...	Madura.
38	The Madura Weavers' C. S.	...	,,
39	The Melapalayam Weavers' C. S.	...	Tinnevelly.
40	The Tanur Weavers' C. S.	...	Malabar.
41	The Pantalayini Weavers' C. S.	...	,,
42	The Karimpuzha Weavers' C. S.	...	,,
43	The Nileshwar Weavers' C. S.	...	S. Kanara.

"THE HINDU" DATED 2-11-1937

(46

INDUSTRIES IN COTTAGES.

Comprehensive Plan for Development.

U. P. Experts Proposals

(Allahabad (By Mail)

Details are now available of the report of the Cottage Industries Committee, which had been appointed by the Government of the United Provinces, following a resolution of the then Legislative Council. The Committee consisted of experts both official and non-official including the late Sir Anand Sarup Sahibji Maharaj.

The report begins by giving a short account of cottage industries, the causes of their decline, describes the typical economic structure of most of the cottage industries and the steps that have been taken through co-operative Societies for their development.

Outlining the proposals, the Committee says:---

Cottage industries are suited to the genius of our people and in many respect enjoy natural advantages against large-scale production. Given a proper organisation for instruction, finance, production and marketing many of them can be firmly established to the benefit of a section of the population which has no alternative means of livelihood.

DIRECT STATE-AID

We advocate direct state-aid to selected cottage industries, for (1) developing production, i.e., improving the technique of manufacture, use of improved appliances & the introduction of new and better designs (2) the supply of raw materials, (3) finance and (4) the marketing of the finished product. It is not necessary that the assistance should be given through co-operative societies alone.

We select the following for intensive assistance through the organisation proposed by us later:---

(a) Textiles; (b) leather (c) glass; we suggest that manufacture of glass bottles and phials and bangles should be t aken up. Some training could be given to the worker at Bahijoi; (d) Brassware; electroplating of Moradabad brasswa needs special attention; (e) locks; there is in our opinion a future for pressed locks made in the country, particularly from scrap iron; (f) toys; Japan has made rapid strides in the industry and we suggest that toy-making in Japan be studied and an experimental factory be started here under the guidance of a man trained in Japan; (g) Basket making; (h) Oil pressin (i) Ghee Making.

We have examined the scheme which the United Provinces Government have approved for the development of the handloom (cotton) weaving industry and we recommend that organised state aid as proposed therein should be given to the other selected cottage industries also.

A COTTAGE INDUSTRIES BOARD.

Further we feel that a standing organisation is necessary to keep the interests of the cottage industries prominent before the Industries and the Co-Operative Departments and to assist their mutual collaboration. We propose for this purpose, the constitution of a small body called "The Cottage Industries Board" which is to be composed as follows:---

1. The Director of Industries & Commerce United Provinces, -- Chairman
2. The Registrar of Co-Operative Societies United Provinces;
3. One nominee of Government to represent cottage Indust
4. One nominee of the United Provinces Co-Operative Unic
5. One Member of the United Provinces Legislature to be
6. elected by the Council.
   One Nominee of the Board of Industries, United Pro-
7. vinces & Secretary to the Board.

~~The United Provinces~~

The Industries Department Reorganisation Committee has recommended the appointment of a wholetime Assistant Director of Industries for cottage industries. We recommend that that officer should work as Member-Secretary to this Board and be responsible for executing its decision. The other industries i.e., those not selected for intensive work may be looked after by the industries Department as hitherto.

ORGANISATION OF PRODUCTION.

The first step will be in the organisation of production. Specifications should be drawn up for each variety of goods to be produced and further it is necessary that new designs should be introduced and that improved appliances be supplied to the workers after sufficient trial This will involve the establishment for each industry of a central technical institution and we recommend that the existing central institutions should be relieved of routine work and should consider the development of the industry to be of as much importance as the work of teaching.

Local Centres: To control production at the manufacturing centres, there should be a local organisation at each centre A technical man of the status of a supervisor of the united Provinces Co-Operative Union should be employed to see that the work is done according to instructions.

RAW MATERIALS.

Supply of Raw Material: There should be a store at each centre under the technical supervisor just referred to, which will arrange to supply raw materials, to collect finished products, and to finance the workers. To begin with, one inspector should be employed for a group of such centres and when later on the work developes their number may be increased. These men should primarily be recruited for their knowledge of the trade and not for the academic qualifications only. In the

In the beginning the store will be a Government Institution affiliated to the central marketing organisation suggested later.

One of the main complaints against the products of cottage industries is that of lack of finish and we recommend the establishment of an organisation, central or local as the case may require, where goods could be collected for finishing, fitting up or treating them in other ways necessary to make them more marketable.

MARKETING

We propose that there should be a central marketing organisation for all the selected industries. The United Provinces Government Arts and Crafts Emporium can be enlarged to include non-art products also in its scope, and should make arrangements to market the products of the local centres discussed above. In addition to a show room, the central marketing organisation should maintain commercial travellers. The central marketing organisation should establish branches or agencie at the important consuming centres and for this purpose should subsedise the existing dealers. The central marketing organisation will charge a profit for the sale of the products varyßng naturally with the class of goods sold. In effect it will work as the commission agent of the local organisation.

FINANCE.

Since the producers will not be co-operatively organised in the very beginning it will not be possible to finance them from loan obtained from Co-Operative banks. Work should begin with finance from Government and as co-operative societies of producers are organised at each centre, arrangements should be made with the local co-operative bank to find the capital required and in order that this may be possible each loan should bear at least a partial Government guarantee -- ther terms of the guarantee being settled by negotiation.

We recommend a commercial operation grant of up to five lakhs for the Central Marketing Association either directly or through co-operative banks.

In addition to the Commercial Operation Grant referred to above and guarantees to co-operative banks as may be settled later, we recommend that Government should give a grant of 1½ lakhs a year for five years to proposed Cottage Industries Board for (1) maintaining the central controlling organisation (2) for getting surveys made of the selected industries, (3) for research, experiment and designing at the central technical institutions and (4) for maintaining the local centres of the Central Marketing Organisation.

We recommend that one economist and at least one engineer be sent to Japan to study the cottage industries of that country, their commercial methods and their technical organisation.

23.11.37

for Director of I&C.

STATE AID TO KHADDAR.

("Hindu" dated 22-11-37)

Bombay Government's lead.

Rs.29,000/- for spinners' Association scheme.

(From our own correspondent)

B o m b a y, Novr 20th.

The Bombay Government, it is understood, have approved of the scheme submitted by the All-India Spinners' Associati to improve the hand-spinning and hand-weaving industry and have sanctioned the grant of Rs.29,000/- asked for by the A.I.S.A for the year ending March 1938. The details of the scheme were published in the "Hindu" of November 5th.

The Government have started four more co-operative societies among the weavers in order to help the hand-loom industry. These societies will stock yarn for the weavers and arrange sales through the depots opened by the above co-operative societies. A designer has been placed by the Government at the disposal of the weavers and this expert will make fresh designs for hand-loom industry. The Govern ment have also sanctioned the supply of fly-shuttle, and improved appliances to the weavers on hire-purchase system.

OTHER COTTAGE INDUSTRIES.

The Government have also approved of the schemes sub-mitted by Mr.Vaikuntlal Mehta, organiser of the All-India Village Industries Association in Bombay, regarding the cottage rope industry, leather, oil, seed crushing, hemp, paper and glass bangles industries. A few scholarships have been sanctioned to select deserving young men to underg training in the Industrial Institute run by the All-India Village Industries Association in Wardha. The Government

p.t.o.

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have sanctioned the opening of a research laboratory to conduct researches on honey collecting, peppermint, oil, alluminium sulphate from bauxite which is available in large quantities in Thana, Soap making, mango pulp, etc.

It is proposed to open an industrial workshop also, where an industrial engineer will conduct researches for improving the handicrafts, carpentry and metal work. The Government have sanctioned the opening of a fish curing yard in Karwar to help the fishermen to get better prices for fish by the wet process. The Government hope that their abovementioned grants will give a great fillip to the rural industries and handicrafts and save the native artisans from starvation. The scheme is expected to be continued on an expanded scale during the next official year.

ATR)2.
23-11-1937.

23.11.37

For Director of Agre.

Extract from the "CAPITAL" dated 11th November 1937. 53

Helping Small Industries.

The Government of Bombay have drawn up an elaborate scheme to develop cottage and small scale woollen industries in the Presidency with the grant-in-aid sanctioned by the Central Government. It comprehends steps for the improvement of designs in woollen products, for "finishing" and for marketing. It is proposed to supply improved appliances on the hire-purchase system or otherwise; to supply raw materials at reasonable rates; to advise wool weaving and other allied cottage industries in regard to the production of improved and easily marketable patterns and designs; to undertake preparatory and finishing processes and dyeing and printing in connection with woollen handloom industry and to accept on consignment account against partial payment woollen handloom products from weavers and to purchase outright such products and sell the same.

To fulfil these aims and objects, it is proposed to come to an arrangement with a Bombay woollen mill for finishing the woollen handloom cloth at a reasonable rate. A part of this expense will be borne by Government. The work of improvement of designs will be entrusted to the textile designer of the Industries Department appointed under the marketing scheme for cotton handloom products. As regards marketing, an agreement will be made between the Director of Industries and the Industrial Co-operative Associations started under the Marketing Scheme for cotton handloom products out of the Government of India grant under which the Associations will undertake such measures as will fulfil the aims and objects of the scheme.

The Director of Industries will pay to the agents

agents bonus for the sale of wool products. A wool expert will be appointed to guide the purchases of wool, advise the weavers and those working in allied industries. The whole scheme will be under the general control of the Director of Industries.

---oOo---

Copy

23.11.37

for Secy to Govt

M.M)2

55

IMPORTANCE OF HAND LOOM INDUSTRY IN INDIA.

(An extract from the Leader of the "Hindu" dated the) 20th November 1937.

"It is, incidentally, remarkable to note that inspite of the severe competition from the mills, foreign and Indian, the hand-loom has managed to hold so much ground as to meet no less than 25% of India's requirements of cloth"

"Extract"

23.11.37

DIRECTOR OF I&C.
23-11-1937

ATR)2.

Extract from "The Hindu" dated 7th November 1937
Madras.

Handloom Weavers' Co-operative Society.

A meeting of the general body of the Madras Hand eavers' Provincial Co-operative Society was held on the 6th ıstant.

Dewan Bahadur C.S. Ratnasabhapathy Mudaliar, the pres: as in the chair.

A large number of delegates of weavers' co-operative ɔcieties in the presidency and many individual members atten(ıe meeting. Mr. T.Austin, I.C.S., Registrar of Co-operative ɔcieties, Mr. T.L.R.Chandran, I.C.S., Additional Joint Regis: f Co-operative Societies and Mr. L.B.Green, Director of Indu: ries, were present.

The meeting adopted the Annual Administration Report ıe year 1936-37.

The meeting amended the by-laws of the Provincial Soc: aking provision for admitting the central banks and other ɔ-operative societies as members.

The following resolution was passed:

" This meeting of the general body of the Madras Hand eavers' Provincial Co-operative Society requests the Madras overnment to supplement the Government of India subsidy, by iving additional funds for organising spinning and weaving i: he Presidency on a much larger scale."

---oOo---

Copy.

23.11.37

Diary No 2803

DEV. SECRETARIAT
29 NOV. 1937
DEVELOPMENT

cle { Phone No.—211
Grams —INDUSCOM.

In reply please quote number, date & short title

GOVERNMENT OF MYSORE

DEPARTMENT OF INDUSTRIES AND COMMERCE

2897

From (Name) M.S.Ramachendra Rao,Esq.,B.A.,
(Designation) Director of Industries & Commerce in Mysore, Bangalore.
Station Camp, Mysore.

To

M.Venkatanaranappa, Esq., B.A.,
Secretary to Government,
Development Department, Bangalore.

No. M.4/129/37-38 Dated Nov.28,1937.

Enclosures.....1.
.....(copy of report)

Sir,

Subject: Formation of a Central Co-operative Society to help the Hand-loom weavers in the State.

In continuation of my letter of even number dated 21-11-1937, I have the honour to state for the informatio of Government that I visited the Madras Hand-loom Weavers Provincial Co-operative Society,Ltd., during my deputatio to Madras on the 25th and 26th instant in connection with the selection of a suitable building for opening a Show Room there. I studied in detail the working of th above concern and found that it was working very satisfa torily to the great advantage of the hand-loom weavers who came under the auspices of the Society.

I learnt that the Government of Madras have sancti Rs 30,000/- towards working capital free of interest for a period of five years. The Government have also sanctioned an outright grant of Rs 44,000/- for the purc of a Calendering and Finishing plant to be installed by t Central Society at Madras, where all such products of hand looms as require calendering and finishing will be treat without charge to the affiliated production societies.for a period of six months. I have mentioned the above facts just to show the great possibilities of the successful working of a Central Society as proposed in my previous letter if Government assistance in an adequate measure is forthcoming.

I enclose herewith for the information of Government a copy of the Second Annual Report of the Madras Provincia Co-operative Society for the year 1936-37.

I have the honour to be,
Sir,
Your most obedient servant,

DIRECTOR.

SRS.?

THE

Madras Handloom Weavers' Provincial Co-operative Society, Ltd.,

No. X. 84.

MADRAS.

Registered under the Co-operative Societies, Act VI of 1932.

SECOND ANNUAL REPORT 1936—37.

PRINTED AT
THE CENTRAL CO-OPERATIVE PRINTING WORKS, LTD., MADRAS.

The Madras Handloom Weavers' Provincial Co-operative Society, Ltd.,

Name of Directors.	Name of society of which he is the representative or share-holders representative.
1. M. R. Ry. Dewan Bahadur C. S. Ratnasabhapathy Mudaliar Avl., (President) ...	Share-holders representative.
2. „ P. V. Krishnayya Choudry Garu, (Vice-President) ...	Guntur Weavers' Co-operative Society.
3. „ Dewan Bahadur A. Appadurai Pillai Avl., M.A., I.S.O., M.L.A., (Treasurer) ...	Kesavanallathur Weavers' Co-operative Society.
4. „ P. S. G. Ganga Naidu Garu.	Share-holders representative.
5. „ S. Thammanna Chettiar Avl., B.A., B.L., ...	Salem Weavers' Co-operative Society.
6. T. Austin Esq., I.C.S., ...	Ex-officio.
7. L. B. Green Esq.,	Do.
8. D. M. Amalsad Esq.,	Do.
9. M. R. Ry. K. Ramachandran Chettiar Avl., ...	Share-holders representative.
10. „ G. Arunachala Mudaliar Avl., ...	Guruvarajapet Weavers' Co-op. Society.
11. „ A. V. Subba Rao Garu ...	Ramasastri Weaver Co-operative Society
12. „ J. Hanumantha Rao Garu.	Adoni Weavers' C. S.
13. „ V. Eswaran Chettiar Avl., B.A., B.L., ...	Coimbatore Devanga Weavers' C. S.
14. Janab Mahamad Hussain Sahib Esq., B.A., B.L., ...	Melapalayam Weavers' Co-op. Society.
15. J. M. Doak Esq., ...	Share-holders representative.

(1 to 8 Execution Committee Members.)

To

THE SHARE-HOLDERS OF

The Madras Handloom Weavers' Provincial

Co-operative Society, Ltd., No. X. 84.

The Board of Directors of the Madras Handloom Weavers' Provincial Co-operative Society, Ltd., No. X. 84 beg to present the second annual report on the working on the Society for the Co-operative year ending 30—6—1937.

The Society was registered on the 2nd April 1935 and started work on the 12th August 1935. It was brought into being for the purpose of organising and developing the handloom industry of the province on a commercial basis and thereby improving the economic condition of the handloom weavers.

The first Board of Directors was nominated by the Government in their Order No. Ms. 968 Dev. dated 13—7—1935. Its term of office expired on 8—8—1936. The Government, with a view to reduce the expenses towards travelling allowance and sitting fees of the Directors, proposed to reduce the number of the Directors from 15 to 9 and that of the members of the Executive Committee from 9 to 6. At the annual General Body Meeting of the Society held on 8—8—1936, it was decided to retain the same number of Directors and reduce the number of members of the Executive Committee from 9 to 8. By-law No. 14 was amended reducing the number of individual directors from 6 to 4 and increasing the number of society representatives from 6 to 8. The question of reducing the travelling allowance, daily allowance and sitting fees was left to be decided by its succeeding Board.

The following Directors were elected at the meeting of the General Body held on 8—8—1936.

1. M.R.Ry. Dewan Bahadur C.S. Ratnasabhapathy Mudaliar Avl
2. „ „ T. A. Ramalingam Chettiar Avl
3. „ P. S. G. Ganga Naidu Garu.
4. „ K. Ramachandran Chettiar Avl.
5. „ Dewan Bahadur A. Appadurai Pillai Avl.
6. „ P. V. Krishnayya Choudry Garu.
7. „ G. Arunachala Mudaliar Avl.
8. „ S. Thammanna Chettiar Avl.
9. „ V. Eswaran Chettiar Avl.
10. „ A. V. Subba Rao Garu.
11. „ J. Hanumantha Rao Garu.
12. Janab Mahamud Hussain Bahadur.

(1 to 4 individual representatives and
5 to 12 society representatives).

The following Executive Committee was constituted by the Board on the same day.

1. M.R.Ry. Dewan Bahadur C.S. Ratnasabhapathy Mudaliar Avl.
2. „ P. V. Krishnayya Choudry Garu.
3. „ Dewan Bahadur A. Appadurai Pillai Avl.
4. „ P. S. G. Ganga Naidu Garu.
5. „ S. Thammanna Chettiar Avl.

M.R.Ry. Dewan Bahadur T. A. Ramalingam Chettiar Avl. resigned his seat on the Board and his resignation was accepted on 9—10—1936. Mr. J. M. Doak was since co-opted in his place on 16—6—1937.

MEETINGS.

11 meetings of the Executive Committee, 5 meetings of the Board and one General Body meeting were held during the year.

MEMBERS AND SHARE CAPITAL.

At the beginning of the year, the Society had on its rolls 98 members with a paid up share capital of Rs. 16,400 as detailed below ;—

No.	Particulars.		Amount. Rs.
47	Individuals	...	11,850
8	Firms	...	1,850
43	Societies	...	2,700
			16,400

During the year 11 individuals and 21 societies were admitted as members and the share capital contributed by them was Rs. 1,000 and Rs. 1,150 respectively. The Kulithalai Weavers' Co-operative Society, Trichinopoly District, was liquidated by reason of its failure to work on satisfactory lines. Its share capital was therefore refunded. The share capital held by the Tenagal Cumbly Weavers' Co-operative Society was also refunded as it was purely a cumbly weaving society. At the end of the year, there were 128 members on the rolls with a paid up share capital of Rs. 18,450 as detailed below :—

No.	Particulars.		Amount Rs.
58	Individuals	...	12,850
8	Firms	...	1,850
62	Societies	...	3,750
128			18,450

In para 14 of the last year's report, it was stated that the Society "could not expect many applications for shares in the near future." The question of increasing the share capital of the Society was engaging the attention of the Directors. On the advice of the Registrar of Co-operative Societies, the by-laws of the Society are proposed to be amended making provision (*a*) for 'B' class shares of the value of Rs. 5 each so as to enable the people with limited means to join the Society in large numbers and (*b*) for the admission of Central Banks and other co-operative societies. Since the close of the year, the affiliated societies have been instructed to invest a portion of their paid up share capital in the shares of the Provincial Society. It is hoped that after the publication of this report, more shares will be taken

by the public. Since the close of the year, a sum of Rs. 3,500 was collected from individuals and Rs. 2,150 from societies.

The Society has been adhering to the scheme formulated by the Government in regard to its activities. The scheme provided for the organisation of 30 primary societies in the first instance. The Directors however felt that relief should be extended to a greater number of weavers scattered all over the presidency and therefore selected 100 centres for the eventual starting of primary societies. The Government were addressed in the matter and they have been pleased to accord permission in the Memorandum No. 392 dated 23-2-'37 to subsidise a larger number of societies upto a maximum of 100. In pursuance of the scheme, societies were started at 13 of the selected centres during the year. The Directors were constrained to give up starting societies in 8 of the selected centres as it was reported by the Deputy Registrars that there were no chances of successfully working them if started in those areas. The question of registering societies in other selected centres was referred to the Deputy Registrars of Co-operative Societies and it is engaging their attention.

GOVERNMENT SUBVENTION.

The Government of India sanctioned a subsidy of Rs.68,800 for the financial year 1936-37. A sum of Rs. 67,544 was available from the unspent balance of the subsidy sanctioned during the previous years. The Society framed a budget expenditure for Rs. 1,02,958 for 1936-37 but was able to spend only Rs. 39,464 during the financial year as shown in the following statement :

	Rs.	Rs.
Direct help to Societies ...	27,000	14,717*
Emporium	6,000	2,090
Sales depots	3,750	1,749
Machinary	42,500	...
Establishment	11,508	11,625
T. A., Exhibitions, Advertisements, contingencies, and rent to supervisors	12,200	9,263
	1,02,958	39,464

Note :—This includes the grant of Rs. 675 paid by the local Government.

The Society could not utilise the grant to the fullest extent mainly due to the fact that the purchase of machinery provided for in the budget could not be made during the year. It is also due to retrenchment effected in the scales of expenditure. The pay of the Supervisors of Production Societies and of the Manager of the Emporium was reduced during the year from Rs 75 to Rs. 40 each per mensem. The rent allowance of Rs. 10 paid to supervisors was stopped since November 1936. The fixed travelling allowance of Rs. 40 paid to them was first reduced to Rs. 25 per mensem, but subsequently the rates were fixed as per the Madras Travelling allowance rules which works to about Rs. 21 per mensem, for a supervisor. The travelling allowance etc., paid to the Directors was reduced from 1½ second class to single second class fare, mileage from annas four to annas two per mile and the daily allowance from Rs. 10 to Rs. 5. The Society spent during the year a sum of Rs. 2,257-15-0 under this head, as against Rs. 2,376-3-0 spent for 9 months of the previous year.

At the beginning of the year, 31 societies were receiving subsidy ranging from Rs. 10 to Rs. 50 to meet their monthly running expenses. During the year, subsidy was sanctioned to 21 additional societies. The total amount disbursed during the year for 52 societies aggregated to Rs. 16,595-8-0 as against Rs. 3,371 disbursed to 31 societies in 1935-36. The maximum subsidy of Rs. 50 was paid only to 7 societies.

During the previous year, the three big societies, *viz.*, the Salem Weavers' Co-operative Society, the Madura Weavers' Co-operative Society, and the Coimbatore Devanga Weavers' Co-operative Society, which were receiving help directly from Government and which ceased to receive the same after the formation of the Provincial Society, applied for special grants to help them in the marketing of their products. As the subsidy required by these societies was large and its payment was not contemplated in the original scheme of the Provincial Society, their applications were submitted to the

Local Government for help out of its funds. But, the Government have ordered the payment, out of the Government of India subsidy, of Rs. 2,500 to the Coimbatore Devanga Weavers' Co-operative Society, Rs. 2,000 to the Salem Weavers' Co-operative Society and Rs. 900 to the Madura Weavers' Co-operative Society. One eighth of this amount, that is, Rs. 675 was however contributed from the funds of the Local Government.

The system of supplying yarn to the societies at wholesale rates by the mills on the guarantee of the Provincial Society was continued throughout the year but on an enhanced guarantee. At the beginning of the year, guarantee given to the mills for supplying yarn to 19 societies stood at Rs. 30,620. During the year, guarantee was given on behalf of 28 societies to the extent of Rs. 21,245 and guarantee in the case of 6 societies for Rs. 13,800 was cancelled, as they did not avail of the same. At the end of the year, the amount of guarantee given to 41 societies was Rs. 38,065. 27 societies availed of the guarantee and purchased yarn through the Provincial Society to the extent of Rs. 27,298 as against Rs. 12,364 during the previous year. A sum of Rs. 6,163 was paid by the societies direct. Rs. 19,698 were paid by the Provincial Society on behalf of the societies leaving a balance of Rs. 1,446 due to the mills.

As referred to in para 14 of the last year's report, the Provincial Society in its letter No. 650/35-36 dated 22-6-1936 requested the Government to make available to the Society a sum of Rs. 40,000 for working capital out of the unspent balance of the Government of India Subsidy and the members of the Executive Committee waited in deputation on the Hon'ble Minister for Public Works on 27-8-36 and represented to him the necessity for sanctioning the amount The Government in G. O. No. Ms. 2,345 dated 23-12-1936 have sanctioned Rs. 30,000 on condition that it should be repaid before 31-3-1940. This amount along with the share capital of the Provincial Society is being

utilised for giving loans and cash credits to societies for purchase of yarn. Whenever the societies applied for advances by way of cash credits and loans, in the place of guarantee given to the mills, such advances were also paid. The maximum credit given to societies was increased during this year from 3 times to 5 times their paid up share capital, and this was also split up into cash credit and guarantee according to the requirements of the society. A sum of Rs. 26,770 was sanctioned as cash credit to 31 societies. Rs. 21,450 were drawn and Rs. 900 were repaid leaving a balance of Rs. 20,550 due to the Provincial Society.

During the year the policy of giving loans upto 50 per cent of the value of the finished goods sent to the Emporium and sales depots was introduced. A sum of Rs. 425 was paid under this head and the same was repaid to the Provincial Society.

With the object of benefitting the societies the rate of interest on loans, cash credits and on advances made against goods, was reduced from 6 per cent to 4 per cent with effect from 1-1-'37.

As in the previous year, the finished goods of the societies were exhibited at the Park Fair Exhibition held in Madras in December 1936. The carpets and hand-bags of the Bhavani Weavers' Co-operative Society, the towels, dhoties and shirtings of the Kavandapadi Weavers' Co-operative Society and the Melapalyam Weavers' Co-operative Society, the sarees of the Madura Weavers' Co-operative Society, the Pedana, Weavers' Co-operative Society, and the Salem Weavers' Co-operative Society were found popular. The sales amounted to about Rs. 1,000. Goods of some of the societies were also exhibited during the Chitra Pournami Festival at Madura in April and May 1937, and Adi Festival at Tinnevelly in June 1937. The sales at these centres amounted to Rs. 1,250 and Rs. 528 respectively. The cost incurred in exhibiting the goods at the several Fairs came to Rs. 385. The quality and the uniform texture of the finished products were much appreciated by the public, and the exhibition authorities at Madura and Tinnevelly were also

pleased to award certificates of merit. On the whole our participation in these exhibitions proved a success and it served as a good advertisement for the handloom products.

The Emporium which was opened in Madras on 5-6-'36 showed some progress during the year. The Co-operative Sales Depot at Calicut which was run by the Devadhar Malabar Reconstruction Trust for marketing the goods of the three weavers' societies in the Malabar District was taken charge by the Provincial Society from 1-11-1936. Sales depots were opened at Madura and Bezwada on 18-11-'36 and 17-1-'37 respectively. Representations were received for opening a depot at Bellary. Accordingly a depot was opened there on 8-12-'36 after obtaining the approval of the Government. Provision has been made in the budget for 1937-38 to open sales depots at Rajahmundry, Vellore, Coimbatore and Tinnevelly, and they will be started soon after the budget is approved by the Government of India.

The co-operative credit societies in Madras were approached to purchase the requirements of their members from the Emporium. Advertisements were made in some of the daily newspapers of Madras and through the Electric Slide advertising Co., at Marina. Two cycle vendors to hawk the goods of the societies in the City of Madras will be appointed shortly. The Provincial Society has requested the Government to advise the Government staff through the heads of the various Departments to encourage the purchase of handloom fabrics produced in co-operative weavers' societies and thus further the cause of the handloom weavers.

To know the requirements of the merchants and elicit their sympathy to the cause of the handloom weavers, a conference of the merchants engaged in cloth trade in the City of Madras was convened by the Society on 23-3-'37 when the question relating to the production and marketing of handloom fabrics was discussed.

CALENDERING PLANT.

Mention was made in the last year's report about the steps taken by the Society for erecting the finishing and calendering

plant. The quotations and proposals sent by the Director of Industries and the Principal, Government Textile Institute for the supply of the machinery were considered by the Executive Committee at their meeting held on 10-9-'36 and the following decisions were reached :

(1) to request the Government to sanction the purchase of bleaching apparatus and finishing and calendering plant at a total cost not exceeding Rs. 40,000 ;

(2) to permit for the first year a recurring expenditure of Rs. 1,500. per mensem for working the plants as no charges are proposed to be recovered from the affiliated societies during the first year for bleaching and finishing the goods;

(3) to make the pencil factory building available free of rent for a period of 3 years for installing and working the plants as suggested by the Director.

The Government who were addressed in this office letter No. 422/35-36 dated 21-9-36 passed orders in G.O. No. 167 Dev. dated 21-1-37 sanctioning the purchase of machinery. The Director of Industries, however intimated in his letter No. 1089-D-36, dated 5-4-'37 that the pencil factory which he recommended previously will not be available for erecting the plants and suggested that separate building might be constructed for the purpose at a cost not exceeding Rs. 5,000, and this was sanctioned subject to the approval of the Government. In his letter dated 14-6-37, the Director of Industries sent revised proposals for the purchase of machinery at a cost of Rs. 48,600. The Government were addressed in this office letter No. 422 dated 17-6-37 to sanction the revised estimate for Rs. 64,900, which included the rent of buildings and the anual working expenses of Rs. 12,000. The Government in their Order No. 1667 Ms. Dev. dated 23-7-37, sanctioned the estimate and permitted the Director of Industries to purchase the plant. The Director of Industries has since proposed to purchase a second hand seven bowl finishing and calendering plant. This proposal was tentatively sanctioned in G. O. No. Ms. 1,826 Dev.

dated 10-8-1937. The machinery when installed would meet a real want and enable the Society to develop the market for the finished products of the affiliated societies.

SIZING MACHINES.

With a view to reduce the cost of production of goods by supplying to the weavers readymade warps, five centres were selected for installing and working Mr. Amalsad's Hot Air Hand-Sizing Machines. Some of the societies were opposed to the installation of these machines on some fear that many of the warpers would be thrown out of employment. It took a long time to induce the primary societies to have the machines installed. By way of encouraging the societies to install the machines, the Provincial Society decided to meet the recurring and non-recurring charges for a period of six months. The Government were addressed in the matter and in their Order No. 423 dated 19-2-'37 they permitted the Society to incur the necessary expenditure for the first six months. One machine was installed at Melapalayam on 18-6-'37 and it is reported to work well. Steps have been taken to install the other machines at suitable centres.

CONFERENCES.

With a view to improve the working of the affiliated societies to ascertain the difficulties in their successful working and to start additional societies, a conference of the representatives of the various societies was convened in Madras on 22-12-1936. In this conference, questions relating to the speedy supply of yarn to societies, sanction of subsidy and marketing of goods were discussed. The conference in addition to other matters resolved the following two important resolutions :

Res. (5) "Just like the protection accorded to milis against foreign imports, handloom goods must be protected against Indian mill goods and imported foreign cloth. To give effect to this, the Conference requests the Government to address the Government of India to make proper legislation to provide a quota basis of production as between the mill made cloths and hand woven cloths with regard to the quantity, count and type of cloth.

If the mills do not agree to a satisfactory arrangement, this conference requests that steps should be taken to have necessary duty imposed on mill made cloths and imported cloths to enable the handloom industry to thrive."

Res. (*6*) "Resolved that the Famine Code may be so modified as to include the handloom weavers also within its purview to extend the facilities to the weavers in times of industrial distress."

Resolution No. 5 was communicated to the Government in this office letter No. 328/36-37 dated 23-3-37 and the Government Orders thereon are awaited.

The Government in their endorsement No. 2438-11-37-1 dated 3-8-37 to the office letter No. 1027/36-37, dated 17-6-37 refused to accept the proposals of the Provincial Society to inaugurate an Industrial and Famine Code for affording relief to the weavers in times of acute economic depression or industrial distress.

During the year, two conferences of the Supervisors of Production Societies were held in Madras when the Supervisors availed themselves of the opportunity to learn first hand, the working of Mr. Amalsad's Hot Air Hand-Sizing Machines.

The following gentlemen visited the Society during the year:

Deputy Registrar of Co-operative Societies, Orissa.

Mr. Wolfe of England.

Mr. T. L. R. Chandran, Additional Joint Registrar of Co-operative Societies, Madras.

STAFF.

Five Supervisors of Production Societies each on Rs. 75 per mensem were working at the beginning of the year for supervision and co-ordination of the activities of the affiliated weavers' societies and for helping them in the marketing of their finished products. No technical qualification was prescribed for the supervisors at the time of their appointment. On the recommendation of the Principal, Government Textile Institute, they were replaced in November 1936 by persons who had undergone Textile Supervisors' Course for two years in the

Government Textile Institute on a reduced pay of Rs. 40 each per mensem. With the increase in the number of Societies, it was found necessary to appoint two additional Supervsors. One Supervisor was appointed and posted to Madura. The question of dividing the persidency into seven circles and appointing a seventh supervisor is under consideration.

One of the supervisors who was posted as cloth Designer was continued in the appointment. He visited 30 societies and introduced 76 designs. The progress in this direction was not as rapid as was expected. It may be mentioned here that the weavers are too conservative and economically poor to adopt improved methods of weaving.

In para 12 of the last year's Annual Report mention was made of the abolition of the two highly paid posts *viz.*, the Marketing Officer and the Secretary. The Sub-Deputy Registrar of Co-operative Societies who was appointed on 27-3-'36 as the Executive Officer of the Provincial Society to supervise and to co-ordinate the work of the Supervisors of Production Societies, to study the market available for handloom products and to regulate the production in societies, continued in the appointment till 19-4-'37 when he reverted to his permanent appointment. At the close of the year, a Senior Inspector of Co-operative Societies was appointed as Executive Officer for the purpose of supervising and co-ordinating the work of the Supervisors.

It was found that a merchant with business ability would be more useful to the Provincial Society for doing marketing work. The Director of Industries also was stressing on the importance of appointing a separate qualified Marketing Officer. After getting the approval of the Government, M.R.Ry. P. A. Ayyanna Chettiar was appointed for the post on a salary of Rs. 350, per mensem from among the applicants selected by the Director of Industries. He joined duty on the after-noon of 21-6-'37. His duties were defined as follows :

To prepare a standard wage list for handloom weavers and to regulate the cost of cloths manufactured in primary weavers' societies.

study qualities of cloth produced in this province.

To study the classes of goods from other provinces or states that are competing in this province.

To ascertain the requirements in other provinces

To be responsible for securing forward contract orders from wholesale dealers of cloths and to pass them on to the supervisors of production societies for execution and to keep the production societies as fully engaged as possible.

To co-ordinate the work of the Supervisors of Production Societies so far as it relates to marketing.

AUDIT.

The Registrar of Co-operative Societies, Madras was pleased to advise the Deputy Registrars to issue the audit certificates of the weavers' societies affiliated to the Provincial Society on or before 15-7-'37 and send copies of the same to the Provincial Society. The audit reports and certificates of all the affiliated societies except those of

1. Kesavanallathur Weavers' C.S.
2. Pillapalayam Weavers' C.S.

have been received. The statement about the working of the affiliated weavers' co operative societies is appended. The number of members and paid up share capital in the 62 societies were 3,735 and Rs. 47,009 respectively. The share capital invested in the Provincial Society by all the 62 societies was Rs. 3,750. The deposits from members and borrowings from the Central Banks inclusive of non-members' deposits held at the end of the year in 56 Societies were Rs. 5,573 and Rs. 53,523 respectively. The value of goods held at the begining of the year was Rs. 41,640. The value of goods bought during the year was Rs. 2,25,326. Out of these, goods to the value of Rs. 2,44,245 were sold during the year leaving a balance stock of Rs. 43,386 on the last day of the year. The Reserve Fund of these societies invested and uninvested amount to Rs. 10,150. The establishment and contingent charges incurred by the 52 societies were Rs. 13,356, 30 societies worked at a profit of Rs. 3,172 and 21 societies worked at a net loss of Rs. 7,234 while 4 societies had neither profit nor loss during the year. 3 Societies were placed in 'A'

class, 13 societies in 'B' class, 26 societies in 'C' class and 2 societies in 'D' class.

The Audit Certificate of the Provincial Society issued by the Registrar of Co-operative Societies and the statements of receipts and disbursements and assets and liabilities for the year under report are appended. The Society earned a net profit of Rs. 1,747-5-0 as against Rs. 596-7-7 during the previous year. After carrying one fourth of the profits viz., Rs. 436-14-0 to the Reserve Fund, the balance of Rs. 1,310-7-0 is available for distribution as dividend etc. The Board of Directors recommend that a dividend of 5 per cent on the share capital be declared for the year 1936-37 and the balance carried over to the Reserve Fund.

The Society takes this opportunity to convey to the Registrar of Co-operative Societies, the Director of Industries and the Principal, Government Textile Institute, its thanks for their valuable assistance and guidance.

(By Order of the Board),

M. G. SELVARAJAN, B.A.,

Manager.

STATEMENT No. I.

LIST OF AFFILIATED WEAVERS' SOCIETIES AS ON 1—10—'37.

S. No.	Name of Society.	District.
1	The Narasannapettah Weavers' C. S. ...	Vizagapatam.
2	The Katheru Weavers' C. S.	E. Godavari.
3	The Peddapuram Weavers' C. S.	"
4	The Muramanda Weavers' C. S.	"
5	The Pullitekeru Weavers' C. S.	"
6	The Ramasastri Spinners' and Weavers' C. S...	Kistna Dt.
7	The Peddatumidi Blanket Weavers' C. S. ...	"
8	The Pedana Weavers' C. S.	"
9	The Guntur Weavers' C. S.	Guntur.
10	The Chirala Weavers' C. S.	"
11	The Vetapalam Weavers' C. S.	"
12	The Ipurpalam Weavers' C. S.	"
13	The Mangalagiri Weavers' C. S.	"
14	The Chimakurthi Weavers' C. S.	"
15	The Nedubrolu Weavers' C. S.	"
16	The Ellore Weavers' C. S.	W. Godavari.
17	The Gudur Weavers' C. S.	Kurnool Dt.
18	The Parla Cumbiy Weavers' C. S.	"
19	The Kurnool Weavers' C. S.	"
20	The Salkapuram Weavers' C. S.	"
21	The Adoni Weavers' C. S.	Bellary.
22	The Hospet Weavers' C. S.	"
23	The Rayadrug Weavers' C. S.	"
24	The Darmavaram Weavers' C. S.	Anantapur.
25	The Uravakonda Weavers' C. S.	"
26	The Devikapuram Weavers' C. S.	North Arcot.
27	The Takkolam Weavers' C. S.	"
28	The Pallikonda Weavers' C. S.	"
29	The Panchamuga Vinayagar Weavers' C. S. ...	"
30	The Guruvarajapet Weavers' C. S.	"
31	The Gudiyatham Weavers' C. S.	"
32	The Sathuvachari Weavers' C. S.	"
33	The Ganesar Weavers' C. S.	"
34	The Sholingur Weavers' C. S.	"

35	The Iyyengarkulam Weavers' C. S.	Chingleput.
36	The Kachabekeswarar Pillapalayam Weavers' C. S.	,,
37	The Kesavanallathur Weavers' C. S. ...	,,
38	The Ekkadu Weavers' C. S.	,,
39	The Rosanagaram Weavers' C. S.	,,
40	The Kalamanaidupet Weavers' C. S. ...	,,
41	The Arani Weavers' C. S.	,,
42	The Salem Weavers' C. S.	Salem.
43	The Coimbatore Devanga Weavers, C. S. ...	Coimbatore.
44	The Kavandapadi Weavers' C. S.	,,
45	The Bhavani Weavers' C. S.	,,
46	The Kollegal Weavers' C. S.	,,
47	The Koyamballi Weavers' C. S.	Trichinopoly.
48	The Woraiyur Weavers' C. S.	,,
49	The Jayamkondacholapuram Weavers' C. S. ...	,,
50	The Madura Weavers' C. S.	Madura.
51	The Madura Sourashtra Bank, Ltd.	,,
52	The Melapalayam Weavers' C. S.	Tinnevelly.
53	The Tanur Weavers' C. S.	Malabar.
54	The Karimpuzha Weavers' C. S.	,,
55	The Pantalayini Weavers' C. S.	,,
56	The Nileswar Weavers' C. S.	S. Kanara.
57	The Narayanavaram Weavers' C. S.	Chittoor.
58	The Aruppukottai Weavers' C. S.	Ramnad.
59	The Paramakudi Weavers' C. S.	,,
60	The Kornad Weavers' C. S.	Tanjore.
61	The Chinnaselam Weavers' C. S.	South Arco
62	The Bobbili Weavers' C. S.	Vizag.
63	The Mori Weavers' C. S.	E. Godavar
64	The Pallamkotta Weavers' C. S.	Tinnevelly I
65	The Kalavai Weavers' C. S.	North Arco
66	The Rajam Weavers' C. S.	Vizag Dt.
67	The Sikkil Weavers' C. S.	Tanjore Dt.
68	The Ponnur Bhavanarishi Weavers' C.S. ...	Guntur.
69	The Peddapur Corporation Society	E. Godavari.
70	The Washermanpet Weavers' C. S.	Madras.
71	The Manamedu Weavers' C. S.	Trichinopoly.

the local Government and there was a balance of Rs. 160 due on 30-6-37 from Government. Out of the subsidy a sum of Rs. 16,595-8-0 was paid as grant to 52 primary weavers societies towards their establishment charges and purchase of weaving appliances. The balance was utilised for the working expenses of the Provincial Society and its Emporium at Madras and its depots at Madura, Calicut, Bellary and Bezwada.

5. A sum of Rs. 2,813-11-0 was outstanding at the beginning of the year towards the advance for yarn from the societies. The Provincial Society advanced Rs. 21,833-1-0 to the primary societies towards purchase of yarn from mills and Rs. 21,450 as cash credit for purchase of yarn and other working expenses in the societies. Of these, Rs. 15,993-3-0 under yarn loan and Rs. 900 under cash credit were repaid by societies leaving a balance of Rs. 8,653-9-0 under loans and Rs. 20,550 under cash credit at the end of the year. The Provincial Society also advanced Rs. 425 against finished products of the primary societies and recovered the full amount before the close of the year.

6. The Society held a stock to the value of Rs. 2,699-14-0 at the commencement of the year and goods to the value of Rs. 1,150-4-0 were transferred from the Devadhar Malabar Reconstruction Trust, Calicut to the sales depot Calicut on 1-11-36. The Society bought goods to the value of Rs 28,411-11-0 and sold them to the extent of Rs. 21,942-5-0. The society held a stock to the value of Rs. 10,937-11-0 at the close of the year.

7. A sum of Rs. 3,253-7-0 was due to the primary weavers' societies towards consignments received at the beginning of the year. During the year under report consignments to the value of Rs. 33,413-6-0 were received and a sum of Rs. 24,739-4-0 was paid to the creditors leaving a balance of Rs. 14,051-3-0 at the end of the year.

8. *Net profits* :—The society earned a net profit of Rs. 1,747-5-0 for the year. Out of this one fourth (*viz*), Rs. 436-14-0 has to be carried to the Reserve Fund under by-law

AUDIT CERTIFICATE

ISSUED BY

T. Austin Esquire, I.C.S.,

Registrar of Co-operative Societies, Madras

ON THE ACCOUNTS OF

The Madras Handloom Weavers' Provincial Co-operative Society, Ltd., No. X-84.

For the year ending 30th June 1937.

The accounts of the Society for the year ending 30th June 1937 as audited by Mr. C. J. David, Inspector of Co-operative Societies are passed. The statements of Receipts and Disbursements, Assets and Liabilities and Profit and Loss account as furnished by him for the Society are appended.

2. This is the second year of the Society's working. The members on rolls and the paid up share capital were as shown below :—

	At the beginning of the year.		Admitted.		Removed		At the end of the year.		No. of shares.
		Rs.		Rs.		Rs.		Rs.	
Societies ...	43	2,700	21	1,150	2	100	62	3,750	75
Individuals.	47	11,850	11	1,000	...	...	58	12,850	257
Firms ...	8	1,850	...	...	...	...	8	1,850	37

3. There were no borrowings except an advance of Rs 30,000 from the local Government out of the Government of India subsidy towards the working capital of the Society.

4. The Society received from the Government a subvention of Rs. 44,935 including Rs. 675 being the contribution of

STATEMENT No. VI.

AMOUNT DUE TO CONSIGNERS

Emporium Account.

S. No.	Name of Society.	Amount due on 30-6-'37. Rs.	A.	P.
1	Salem Weavers' C. S.	1,460	12	9
2	Kavandapadi Weavers' C. S.	776	15	7
3	Madura Weavers' C. S.	147	12	5
4	Ramasastri Weavers' C. S.	0	0	1
5	Pillapalayam Weavers' C. S.	1	15	6
6	Peddapuram Weavers' C. S.	21	5	7
7	Guntur Weavers' C. S.	21	7	11
8	Iyyengarkulam Weavers' C. S.	143	3	1
9	Coimbatore Weavers' C. S.	129	1	6
10	Obli Chettiar	8	15	6
11	Kurnool Carpet Weavers' C. S.	153	12	9
12	Devikapuram Weavers' C. S.	34	9	4
13	Pantalayini Weavers' C. S.	13	10	3
14	Pedana Weavers' C. S.	496	2	3
15	Melapalayam Weavers' C. S.	209	13	6
16	Panchamuga Vinayagar Weavers' C. S. ...	0	7	3
17	Uravakonda Weavers' C. S.	1	9	6
18	Takkolam Weavers' C. S.	0	7	0
19	Bhavani Weavers' C. S.	257	10	9
20	Woraiyur Weavers' C. S.	46	6	9
21	Kesavanallathur Weavers' C. S. ...	429	15	10
22	Aruppukottai Weavers' C. S.	41	0	3
23	Ganesar Weavers' C. S.	121	5	1
24	Nileswar Weavers' C. S.	15	1	3
25	Narayanavaram Weavers' C. S.	161	7	3
26	Principal Government Textile Institute ...	38	8	8
27	Sathuvachari Weavers' C. S.	81	11	9
28	Kornad Weavers' C. S.	213	10	0
29	Rosanagaram Weavers' C. S.	11	7	6
	Total ...	5,040	6	10

STATEMENT No. IV.

CASH-CREDIT ALLOWED TO AFFILIATED SOCIETIES.

S. No.	Name of Society.		Balance on 30-6-'37.	Interest Accrued.		
			Rs.	Rs.	A.	P.
1	Adoni Weavers' C. S.	...	2,500	92	5	7
2	Chirala Weavers' C. S.	...	800	0	7	0
3	Narayanavanam Weavers' C. S.	...	200	2	12	11
4	Ganesar Weavers' C. S.	...	500	8	12	3
5	Karimpuzha Weavers' C. S.	...	500	8	12	3
6	Pallikonda Weavers' C. S.	...	500	8	12	3
7	Gudiyatham Weavers' C. S.	...	250	3	12	6
8	Bhavani Weavers' C. S.	...	1,000	7	12	4
9	Kornad Weavers' C. S.	...	300	4	8	7
10	Guntur Weavers' C. S.	...	500	6	12	9
11	Munnal Weavers' C. S.	...	1,000	13	9	5
12	Parameswar Weavers' C. S.	...	500	3	1	1
13	Rayadrug Weavers' C. S.	...	100	0	7	9
14	Pedana Weavers' C. S.	...	1,000	4	13	2
15	Melapalayam Weavers' C. S.	...	4,000	16	3	6
16	Ipurpalam Weavers' C. S.	...	2,000	8	1	9
17	Rosanagaram Weavers' C. S.	...	100	0	4	5
18	Devikapuram Weavers' C. S.	...	400	1	1	6
19	Arani Weavers' C. S.	...	600	1	10	4
20	Ellore Weavers' C. S.	...	1,000	1	5	1
21	Kavandapadi Weavers' C. S.	...	1,500	1	15	7
22	Sholingur Weavers' C. S.	...	1,000	1	5	1
23	Muramanda Weavers' C. S.	...	300	0	5	9
	Total	...	20,550	199	0	10

STATEMENT No. V.

YARN LOAN ACCOUNTS.

S. No.	Loan No.	Name of Society.	Loans outstanding. Principal.			Interest.			Advance. Interest.		
			Rs.	A.	P.	Rs.	A.	P.	Rs.	A.	P.
1	31	Kurnool W. C. S. ...	411	0	0	1	1	9			
2	32	Sathuvachari ,, ...	44	0	0				0	14	4
3	36	Tanur ,, ...	91	0	0				0	1	5
4	37	Nileswar ,, ...	4	10	0						
5	38	Kavandapadi ,, ...	70	0	0						
6	39	Melapalayam ,, ..	271	0	0						
7	42	Iyyengarkulam ,, ...	73	0	0				0	6	8
8	45	Rosanagaram ,, ...	78	11	0				0	1	6
9	50	Bhavani ,, ...	39	0	0				0	12	0
10	51	Gudiyatham ,, ...	10	6	0						
11	52	Thakkolam ,, ...	309	0	0				0	2	2
12	54	Kornad ,, ...	83	0	0				0	3	0
13	55	Sathuvachari ,, ...	470	0	0						
14	56	Podana ,, ...	10	0	0				0	12	0
15	57	Guntur ,, ...	50	0	0						
16	59	Kornad ,, ...	232	8	0						
17	60	Narayanavaram ,, ...	293	0	0						
18	61	Tanur ,, ...	515	0	0						
19	62	Kalamanaidupet ,, ...	527	0	0						
20	63	Thakkolam ,, ...	425	0	0						
21	64	Tanur ,, ...	424	9	0						
22	65	Nileswar ,, ...	141	1	0						
23	66	Kavandapadi ,, ...	1,174	5	0				0	0	11
24	67	Pallikonda ,, ...	782	12	0						
25	68	Pantalayini ,, ...	516	8	0				0	4	8
26	69	Karimpuzha ,, ...	944	0	0				0	7	9
27	70	Kurnool Carpet ,, ...	178	3	3						
28	40	Sathuvachari ,, ...	485	0	0						
			8,653	9	3	1	1	9	4	2	5

o-operative Societies.

RESERVE FUND.						Establishment and contingent charges.			Profit or loss.			Class of Society.
d.	Uninvested.			Total.								
P.	Rs.	A.	P.	Rs.	A.	P.	Rs.	A.	P.	Rs.	A.	P.	
0	677	1	0	715	15	0	40	1	0	—500	13	0	A
0	465	12	0	529	0	0	252	13	0	—310	0	0	C
0	197	6	0	234	7	0	905	11	0	...			
0	...			52	2	0	4	10	0	—165	4	0	
	4	14	0	4	14	0	172	14	0	+ 20	0	0	
	...			...			13	11	0	+ 4	12	0	
	...			...			1	11	3	— 7	0	0	
	1	10	0	1	10	0	8	14	0	+ 6	9	0	
	...			...			79	11	0	—21	1	0	
	0	11	0	0	11	0	502	7	0	—58	1	0	
	...			...			70	7	0	+ 11	8	0	B
	...			...			406	10	0	+188	13	0	C
0	...			2,560	7	0	1,269	2	0	— 5069	15		C
0	...			36	3	0	595	13	0	+395	15	0	C
0	101	2	0	205	4	0	78	9	0	+ 9	10	0	C
	...			...			47	2	0	+ 64	2	0	C
	...			...			43	7	0	— 0	1	0	C
0	...			10	5	0	195	1	0	—648	0	0	D
	...			...			6	2	0	— 4	8	0	C
	...			...			3	4	0	+ 0	4	0	A
	...			...			160	12	0	— 9	13	0	B
	...			...			5	13	0	+ 1	12	0	B
	...			...			30	2	0	+ 42	12	0	C
	...			...			...			+367	13	0	C
	...			...			73	9	0	—17	7	0	B
0	96	12	0	151	1	0	26	9	0	+ 17	4	0	C
	...			...			5	0	0	+ 0	4	0	B
	...			...			29	2	0	+ 59	2	0	C
0	...			24	12	0	7	15	0	—255	6	0	C
	7	0	0	7	0	0	341	6	0	+155	1	0	B

STATEMENT No. III.

Statement about the working of the affiliated Primary Weavers' Co-operative Societies.

Serial No.	Name of the Society.	Share Capital of the members.	Share capital invested in provincial societies.	Deposits from members and non-members.	Borrowings from Central Banks.	Value of the opening stock.	Value of the goods bought during the year.	Value of goods sold.	Value of goods outstanding.	Reserve Fund.			Establishment and contingent charges.	Profit or loss.	Class of Society.
										Invested.	Uninvested.	Total.			
		Rs. A.	Rs. A.	Rs. A.	Rs. A.	Rs. A.	Rs. A.	Rs. A. P.	Rs. A.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	
	ANANTAPUR Dt.—														
1	Dharmavaram ...	278 0	50 0	...	754 0	202 10	...	194 12 0		38 14 0	677 1 0	715 15 0	40 1 0	—500 13 0	
2	Uravakonda ...	316 0	50 0	...	139 0	62 1	3,173 10	2,977 13 0	273 5	63 4 0	465 12 0	529 0 0	252 13 0	—310 0 0	
	BELLARY Dt.—														
3	Adoni ...	4,225 8	100 0	2,500 0	...	937 15	15,854 8	16,159 4 0	776 10	37 1 0	197 6 0	234 7 0	905 11 0	...	
4	Hospet ...	270 0	50 0	...	...	...	8 0	10 11 0	...	52 2 0	...	52 2 0	4 10 0	—165 4 0	
5	Rayadrug ...	106 0	50 0	...	407 11	...	195 13	166 7 0	22 8	...	4 14 0	4 14 0	172 14 0	+ 20 0 0	
	CHENGLEPUT Dt.—														
6	Arani ...	305 0	100 0	...	...	...	36 1	36 11 0	...	...	...	...	13 11 0	+ 4 12 0	
7	Ikkadu ...	57 0	50 0	...	...	...	...	...	...	...	...	...	1 11 3	— 7 0 0	
8	Ayyangarakulam ...	237 0	50 0	...	...	...	20 2	19 3 9	1 4	...	1 10 0	1 10 0	8 14 0	+ 6 9 0	
9	Kalamanaidupet ...	175 0	100. 0	...	...	...	376 10	268 5 0	118 1	...	...	...	79 11 0	—21 1 0	
10	Kesavanallathoor ...	Audit certificate not yet received.													
11	Pillapalayam ...	Do.													
12	Rosanagaram ...	59 0	50 0	...	...	...	288 2	215 9 0	79 9	...	0 11 0	0 11 0	502 7 0	—58 1 0	
	CHITTOOR Dt.—														
13	Narayanavaram ...	108 0	50 0	...	...	...	2,086 3	2,076 0 0	18 0	...	...	...	70 7 0	+ 11 8 0	B
	COIMBATORE Dt.—														
14	Bhavani ...	345 0	50 0	...	...	...	3,974 15	3,971 11 0	235 5	...	...	...	406 10 0	+188 13 0	C
15	Coimbatore ...	9,810 10	50 0	100 0	16,997 14	13,131 8	10,211 13	23,834 10 0	3,792 12	2,560 7 0	...	2,560 7 0	1,269 2 0	— 5069—15	C
16	Kavandapadi ...	1,657 15	50 0	516 9	...	1,547 12	16,908 13	17,024 9 0	1,935 9	36 3 0	...	36 3 0	595 13 0	+395 15 0	C
17	Kollegal ...	730 0	50 0	...	840 0	...	249 3	140 10 0	145 12	104 2 0	101 2 0	205 4 0	78 9 0	+ 9 10 0	C
	EAST GODAVARI Dt.—														
18	Katheru ...	75 0	50 0	...	...	17 14	357 9	372 2 0	8 5	...	...	...	47 2 0	+ 64 2 0	C
19	Muramanda ...	145 0	50 0	...	...	...	235 13	222 9 0	19 14	...	...	...	43 7 0	— 0 1 0	C
20	Peddapuram ...	696 0	50 0	4 1	4,484 0	376 6	140 13	436 9 0	94 6	10 5 0	...	10 5 0	195 1 0	—648 0 0	D
21	Peddapur ...	65 0	50 0	...	...	...	...	...	...	...	...	...	6 2 0	— 4 8 0	C
22	Pulletikurru ...	56 0	50 0	...	...	...	...	...	...	...	...	...	3 4 0	+ 0 4 0	A
	W. GODAVARI Dt.—														
23	Ellore ...	532 0	50 0	...	...	...	2,692 2	2,672 0 0	114 6	...	...	...	160 12 0	— 9 13 0	B
	GUNTUR Dt.—														
24	Chimakurti ...	100 0	50 0	50 0	...	...	1,137 9	1,134 11 0	4 3	...	...	...	5 13 0	+ 1 12 0	B
25	Chirala ...	307 0	50 0	...	...	...	2,736 15	2,479 4 0	313 1	...	...	...	30 2 0	+ 42 12 0	C
26	Guntur ...	1,111 4	50 0	2,235 0	...	400 3	11,793 13	11,150 6 0	1,506 5	...	...	...	...	+367 13 0	C
27	Ipurpalam ...	465 0	50 0	...	...	...	8,424 15	8,118 3 0	351 15	...	...	...	73 9 0	— 7 7 0	B
28	Mangalagiri ...	182 0	50 0	...	...	...	208 3	140 0 0	77 4	54 5 0	96 12 0	151 1 0	26 9 0	+ 17 4 0	C
29	Nidubrole ...	78 0	50 0	30 0	...	...	820 12	782 12 0	47 2	...	...	...	5 0 0	+ 0 4 0	B
30	Vetapalem ...	557 0	50 0	...	...	...	625 10	550 3 3	495 7	...	...	...	29 2 0	+ 59 2 0	C
	KURNOOL Dt.—														
31	Gudur ...	51 0	50 0	...	...	...	...	...	...	24 12 0	...	24 12 0	7 15 0	—255 6 0	C
32	Kurnool ...	146 0	50 0	200 0	500 0	382 0	4,048 4	3,403 7 0	1,332 1	...	7 0 0	7 0 0	341 6 0	+155 1 0	B

Serial No.	Name of the Society.	Share Capital of the members.	Share capital invested in provincial societies.	Deposits from members and non-members.	Borrowings from Central Banks.	Value of the opening stock.	Value of the goods bought during the year.	Value of goods sold.	Value of goods outstanding.	Reserve Fund.			Establishment and contingent charges.	Profit or loss.	Class of Society.
										Invested.	Uninvested.	Total.			
	KURNOOL Dt.—*(Contd.)*	Rs. A.	Rs. A.	Rs. A.	Rs. A.	Rs. A.	Rs. A.	Rs. A. P.	Rs. A.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	Rs. A. P.	
33	Parla ...	39 0	50 0	...	278 0	...	...	...	...	39 1 0	..	39 11 0	9 2 0	+ 27 10 0	
34	Salkapuram ...	54 12	50 0	..	7 6	...	...	...	...	...	47 1 0	47 1 0	...	— 5 13 0	D
	KRISTNA Dt.—														
35	Pedana ...	408 12	50 0	..	...	921 14	9,948 13	10,583 9 0	764 13		67 15 0	67 15 0	259 15 0	+173 3 0	B
36	Pedatumidi ...	122 0	50 0	..	100 0	114 15	550 10	646 11 0	88 5		...	...	91 0 0	— 86 0 0	C
37	Ramasastri ...	155 0	50 0	..	...	150 2	1,378 5	1,562 5 0			83 7 0	83 7 0	298 13 0	—204 5 6	B
	MADURA Dt.—														
38	Madura ...	2,405 0	50 0	5,048 11	...	5,434 10	32,394 8	31,608 11 0	8,229 6	Details not available.			...	+100 0 0	C
39	Madura Swrastra Co-operative Bank.	Credit society.													
	MALABAR Dt.—														
40	Karimpuzha ..	263 12	50 0	...	...	1,178 12	5,543 1	5,804 9 0	1,673 8		94 8 0	94 8 0	834 0 0	+262 7 0	B
41	Pantalayini ...	315 0	50 0	20 0	..	820 12	3,720 0	3,663 6 0	1,294 8		103 0 0	103 0 0	428 3 0	+298 6 0	B
42	Tanur ...	307 7	50 0	..	527 0	911 10	3,562 2	3,379 10 0	1,675 7	369 4 0	312 11 0	681 15 0	366 14 0	...	C
	NORTH ARCOT Dt.—														
43	Devikapuram ...	155 0	50 0	..	...	...	518 3	266 12 0	255 1		..	...	85 12 0	— 1 11 0	B
44	Gudiyattam ...	158 0	50 0	...	...	...	1,779 2	1,628 0 0	169 6		6 0 0	6 0 0	134 15 0	— 2 11 0	C
45	Guruvarajapet ...	589 0	50 0	1,200 0	...	...	9,344 7	9,158 9 0	713 15		0 8 0	0 8 0	62 7 0	+ 51 7 0	A
46	Munnal ...	230 4	150 0	..	...	...	129 10	124 1 0	7 0		...	..	32 7 0	+ 28 14 0	C
47	Pallikonda ...	240 6	50 0	..	...	...	5,588 14	5,097 15 0	585 8		...	..	173 10 0	+ 54 10 0	C
48	Sathuvachari ...	135 0	50 0	..	...	...	2,316 13	1,847 10 0	509 2		...	...	183 15 0	+ 22 4 0	C
49	Sholinghur ...	210 0	50 0	250 0	...	...	3,389 5	3,164 11 0	240 2		...	..	185 1 0	— 53 15 0	B
50	Takkolam ...	453 0	50 0	..	...	...	4,128 9	3,580 6 0	580 15		..	...	20 5 0	+ 43 6 0	C
51	Walajapet ...	635 0	50 0	100 0	400 0	..	2,650 13	2,329 9 0	579 1	2 0 0	...	2 0 0	367 10 0	...	C
	RAMNAD Dt.—														
52	Aruppukottai ...	678 0	50 0	1,807 0	...	...	21,570 0	13,799 0 0	7,771 8	Details not available.			...	+276 0 0	C
53	Parameswar ...	135 0	50 0	...	...	..	795 15	200 0 0	595 15	... Do.		...	...	...	C
	SALEM Dt.—														
54	Salem ...	12,612 3	250 0	139 0	28,689 3	9,935 8	10,579 5	27,819 9 0	8,728 8	1,647 7 0	253 12 0	1,901 3 0	2,932 0 0	+ 56 6 0	
	SOUTH ARCOT Dt.—														
55	Chinnasalem ...	136 8	50 0	...	...	...	201 0	149 9 0	60 1		...	..	22 1 0	— 2 12 0	C
	SOUTH CANARA Dt.														
56	Nileswar ...	86 8	50 0	21 14	549 0	107 1	1,242 10	1,085 4 0	369 1	166 7 0	229 9 0	396 0 0	156 14 0	— 47 3 0	C
	TANJORE Dt.—														
57	Koranad ...	280 0	50 0	...	...	...	1,381 6	1,031 8 0	386 9		...	...	160 6 0	+ 41 2 0	
	TINNEVELLY Dt.—														
58	Melapaleyam ...	4,011 0	50 0	300 0	...	1,406 13	6,903 0	6,346 14 0	3,202 7		...	...	1,710 2 0	...	
	TRICHINOPOLY Dt.—														
59	Jayakondacholapuram ..	274 0	50 0	200 0	...	...	307 10	211 15 0	106 15		...	...	34 9 0	— 19 12 0	B
60	Koyampalli ...	220 0	50 0	..	..	978 10	52 4	950 3 0	124 10		2 6 0	2 6 0	24 4 0		C
61	Woraiyur ...	1,119 2	50 0	70 7	2,025 0	1,677 12	19,436 8	19,883 7 0	2,413 0		...	...	724 12 0	+577 0 0	C
	VIZAGAPATAM Dt.—														
62	Narasannapet ...	238 0	50 0	...	726 0	...	...	...	...	290 9 0	...	290 9 0	8 10 0	+ 19 13 0	C

S. No.	Ad. No.	Name.	No. of shares.	Amount paid Rs.
39	73	M.R.Ry. Nepa Veerabhadraiah Chetty Avl.	1	50
40	79	,, A. S. Subbramania Chettiar Avl. ...	1	50
41	80	,, K. S. Malliah Chettiar Avl. ...	1	50
42	81	,, R. O. Thammanna Chettiar Avl. ...	1	50
43	82	,, K. K. Krishnaswami Chettiar Avl.	1	50
44	83	,, M. Kandaswami Naidu Avl. ...	1	50
45	84	,, R. S. Muthuswami Chettiar Avl. ...	1	50
46	85	,, P. K. Sithappa Chettiar Avl, ...	1	50
47	86	,, P. R. Subbramania Chettiar Avl. ...	1	50
48	87	,, P. K. Subramania Chettiar Avl. ...	1	50
49	88	,, K. S. Arunachalam Chettiar Avl. ...	1	50
50	89	,, T. A. Chittia Chettiar Avl. ...	1	50
51	90	,, P. K. Perumal Chettiar Avl. ...	1	50
52	91	,, P. K. Kandaswami Chettiar Avl. ...	1	50
53	92	,, D. R. Subbramania Chettiar Avl. ...	1	50
54	93	,, P. B. Chinnaswamy Chettiar Avl. ...	1	50
55	94	,, K. Venkatarama Chettiar Avl. ...	1	50
56	99	,, V. Veerappa Chettiar Avl. .	1	50
57	100	,, U. Linga Chetty Avl. ...	1	50
58	106	,, A. Sivarama Krishnayya Avl. ...	1	50
59	110	,, B. Gurumurthi	1	50
60	111	,, B. Gnanakottia	1	50
61	114	,, C. Hanumantha Rao Garu ...	1	50
62	137	,, P. Parasurama Mudaliar Avl. ...	1	50
63	138	,, P. Muthappa Mudaliar Avl. ..	1	50
64	139	,, P. M. Arumuga Mudaliar Avl. ...	1	50
65	149	,, A. Veeranam Garu	1	50
66	150	,, K. Narasinna Rao Garu ...	1	50
67	151	,, J. Hanumantha Rao Garu ...	2	100
		(b) Firms.		
1	58	The Radhakrishna Mills	20	1,000
2	9	Messrs. Brunnsweeler & Co.	10	500
3	27	The Loyal Mills, Koilpatti	2	100
4	14	The Madura Mills Co., Ltd.	1	50
5	15	Messrs. W. A. Beardsell & Co.	1	50
6	22	Sri Kovai Nesavu Thoshilalar Sangam ...	1	50
7	64	Coimbatore Spinning & Weaving Co. ...	1	50
8	59	Messrs. C. C. Chengalvaraya Chetty & Bros.	1	50

STATEMENT No. II.

LIST OF SHARE-HOLDERS.

(a) (Individuals) as on 1—10—1937.

S. No.	Ad. No.	Name.	No. of shares.	Amoun paid Rs.
1	140	M.R.Ry. A. Balakrishna Mudaliar Avl. ...	40	2,000
2	5	,, M. Subbaraya Iyer Avl. ...	20	1,000
3	24	,, P. S. G. Ganga Naidu Garu ...	20	1,000
4	31	,, A. V. Subba Rao Avl. ...	20	1,000
5	43	J. M. Doak Esq.	20	1,000
6	44	M.R.Ry. T. A. Ramalingam Chettiar Avl, ...	20	1,000
7	45	,, Dewan Bahadur C. S. Ratnasabapathy Mudaliar Avl. ...	20	1,000
8	61	The Hon'ble Mr. Y. Ranganayakulu Naidu ...	20	1,000
9	78	M.R.Ry. K. Ramachandran Chettiar Avl. ...	20	1,000
10	28	G. D. Rhenius Esq.	10	500
11	29	M.R.Ry. P. S. Subramaniam Avl, ...	10	500
12	32	,, V. Dakshina Murti Avl. ...	7	350
13	30	,, K. R. Kalyanasundram Iyer Avl. ...	5	250
14	33	,, K. Thirumalaiswami Chettiar Avl.	5	250
15	49	,, K. S. Vanniperumal Konar Avl. ...	5	250
16	113	,, T. S. Palaniappa Pillai Avl. ...	5	250
17	37	Dr. N. Venkataswami Chetti Garu ...	2	100
18	57	M.R.Ry. P. M. Balasubramania Mudaliar Avl.	2	100
19	101	,, S. Kalappa Chetty Avl. ...	2	100
20	102	,, P. V. Krishnayya Choudry Garu ...	2	100
21	103	,, A. Gopalaswami Chetty Avl. ...	2	110
22	109	,, A. Ramanjulu Chetty Avl. ...	2	100
23	115	G. L C. Lobo Esq.	2	100
24	136	M R.Ry. M. S. Swaminatha Iyer Avl. ...	2	100
25	144	,, C. Arumuga Mudaliar Avl. ...	2	100
26	2	,, S. Gopalaswami Chettiar Avl. ...	1	50
27	3	,, Dewan Bahadur A. Appadurai Pillai	1	50
28	7	,, P. S. Raguramasastri Avl. ...	1	50
29	8	Sir Alladi Krishnasawami Iyer Avl. ...	1	50
30	12	M.R.Ry. T. V. Visvanatha Iyer Avl. ...	1	50
31	13	,, S. Narayanaswami Iyer Avl. ...	1	50
32	19	,, Rao Sahib S. Papiah Chetti Avl. ...	1	50
33	20	J. B. Machado Esq.	1	50
34	36	M.R.Ry. M. S. Palaniappa Mudaliar Avl. ...	1	50
35	38	,, K. K. Srinivasan Avl.	1	50
36	39	,, K. Ganapathy Avl.	1	50
37	46	Dr. K. S. Vedachala Mudaliar Avl. ...	1	50
38	54	M.R.Ry. Rao Sahib C. V. Krishnaswami Chetty	1	50

34 (1) and the balance may be distributed in accordance with the remaining clauses of the said by-law. The society is advised to pay a dividend of 5 per cent to members on the paid up share capital.

9. *Reserve Fund*:—The society has already invested Rs. 302-14-0 to its credit on the Madras Provincial Co-operative Bank, Ltd., and it is requested that the amount ordered in para 8 may be remitted during the year.

(Sd.) T. AUSTIN,
Registrar.
4-9-37.

(By Order),
(Sd.) A. S. RAJU,
Manager.
9-9-37.

Receipts.

		Rs.	A.	P.	Rs.	A.	P.
1.	Share Capital (Societies) ...	1,150	0	0			
	(Individuals) ...	1,000	0	0	2,150	0	0
2.	Advance from Government owards Working Capital	...			30,000	0	0
	(*b*) Non-members.						
	Consignment received.	33,413	6	0			
	„ Calicut transfer.	2,123	10	0	35,537	0	0
	Consignment returned.	5,428	2	0			
	Reduction in prices ...	16	7	0			
	Consignment returned (Calicut) ...	112	15	0			
	Commission allowed ...	46	15	0	5,604	7	0
	Subvention from Government ...	...			44,935	0	0
	To receipt by sales depots out of subvention	...			1,822	12	0
	Subvention capital (furniture) ...				3,334	12	0
	Cash credit collections four societies ...				900	0	0
	Recoveries against subvention.						
	Salary paid ...	72	6	0			
	Travelling allowance ...	10	5	0			
	Sub let from Emporium premises rent ...	476	5	0	559	0	0
3.	Loans repaid short term (Yarn loan) ...				15,993	3	0
4.	Sale proceeds ...				21,943	7	0
5.	Interest ...				212	6	0
	Carried over ...				1,62,991	15	0

Disbursements.

	Rs.	A.	P.	Rs.	A.	P.
Share Capital (Societies) ...				100	0	0
Payment to consignors ...	21,882	10	0			
Reduction in prices ...	16	7	0			
Consignments returned	2,840	3	0	24,739	4	0
Discount accrued ...	3	10	0			
Sales returns ...	1	2	0			
Excess sale proceeds debited ...	1	5	0			
Calicut deficit in stock ...	49	2	0	55	3	0
Cash credit payment to societies ...	...			21,450	0	0
Expenditure against subvention ...	40,885	3	0			
Amount spent by sales depot ...	1,966	14	0			
Calicut furniture account (Transfer) ...	102	5	0	42,954	6	0
Loans issued-short term on yarn purchases ...	...			21,833	1	0
Stock bought ...	33,839	13	0			
Calicut transfer ...	1,150	4	0	34,990	1	0
Payment out of profits of previous year—						
Dividend ...	293	9	0			
Reserve Fund ...	302	14	0	596	7	0
Establishment and contingencies—						
Errata debit ...	...			22	1	0
Excess collections refunded...	5	1	0			
Commission on yarn purchased paid to societies ...	230	0	0	235	1	0
Carried over ...				1,46,975	8	0

Receipts—(*Continued.*)

		Rs.	A.	P.	Rs.	A.	P.
	Brought forward ...				1,62,991	15	0
6.	Miscellaneous Income—						
	Entrance Fees ...	10	12	0			
	Interest on Investments—						
	Reserve Fund ...	7	12	0			
	Postal savings ...	42	11	0			
	Prudential deposit ...	75	0	0			
	Current account ...	157	6	0			
	Other heads—						
	Sale of By-laws ...	6	4	0			
	Postage ...	0	1	0			
	Commission yarn purchased	540	7	0			
	„ earned in exhibitions ...	118	8	0			
	„ Madras depot.	47	7	0			
	Miscellaneous Income ...	2	1	0	1,008	5	0
7.	Adjusting heads—						
	(*a*) Due to society ...	6,255	9	0			
	(*b*) Due by society ...	28,547	4	0	34,802	13	0
	(Calicut transfer) ...				33	4	0
	Erratta credit ...				22	1	0
8.	Investments withdrawn—						
	Current accounts ...	96,419	9	0			
	„ No. II ...	10,522	2	0	1,06,941	11	0
	Total ...	...			3,05,800	1	0
	Opening Balance ...	...			306	12	0
	Grand Total ...	...			3,06,106	13	0

Disbursements—(*Continued.*)

		Rs. A. P.	Rs. A. P.
Brought forward	...		1,46,975 8 0
6. Adjusting heads—			
Due to society	...	7,107 7 0	
Calicut transfer	...	495 15 0	
Due by society	...	26,935 7 0	34,538 13 0
Calicut deficit on 1-11-36	...		274 15 0
7. Investments made—			
Furniture account	...	...	3,334 12 0
Postal savings	...	42 11 0	
Prudential deposits	...	75 0 0	
Deposit in Reserve Bank	...	15 0 0	
Current account	...	94,166 10 0	
Calicut Bank account transfer	...	54 0 0	
Current account No. II	...	25,035 6 0	
Town Branch (M.P.C.B.)	...	811 12 0	1,20,200 7 0
Total	...	...	3,05,324 7 0
Closing Balance	...	...	782 6 0
Grand Total	...	...	3,06,106, 13 0

Liabilities.

	At the end of the year.		At the beginning of the year.	
	Rs.	A.	Rs.	A.
1. Advance from Government towards working capital ...	30,000	0		
2. Share capital	18,450	0	16,400	0
3. Establishment and contingent charges due out of subvention.	3,138	1	1,677	7
Sundry creditors ...	14,051	3	3 253	7
Stock received but not brought into account ...	15	0		
Commission due to societies on yarn purchases ...	39	1		
4. Adjusting heads ...	1,637	10	25	13
Amount received by sales depots (Adj.) ...	1,822	12		
Subvention capital account (furniture) ...	3,200	0		
5. Undisbursed profits of previous years dividend ...	0	1		
6. Reserve Fund— Separately invested ...	302	14		
7. Total liabilities ...	72,656	10	21,356	11
8. Net difference between assets and liabilities ...	1,747	5.	596	8

Assets.

		At the end of the year.	At the beginning of the year.
		Rs. A.	Rs. A.
1. Cash—			
(1) On hand	...	782 6	306 12
(2) In Bank	...		
M.P. Co-op. Bank. Rs. A. P.			
Town Branch. 811 12 0			
,, Current No.II. 14,513 4 0			
,, ,, I. 3,088 9 0			
Bellary Account 102 4 0			
Madura Depot A/c 295 11 0			
Calicut Depot A/c 496 1 0		19,307 9	6,181 8
2. Other Investments—			
(1) Reserve Fund—			
(a) In the Co-op. Central Bk.		302 14	
Deposits in Reserve Bk.		832 8	817 8
Prudential deposit	...	2,575 0	2,500 0
Postal Savings Account	...	2,542 11	2,500 0
3. Loans due by members—			
Short-term considered good advances for yarn supplied.		8,653 9	2,813 11
Cash credit to societies	...	20,550 0	
4. Interest accrued on loan			
(a) not overdue	...	199 1	2 2
Interest on investment.			43 9
5. Other Items—			
(1) Value of furniture and equipments less depreciation Rs. 134-13-0	...	3,200 0	
Adjustment expend: by sales depots	...	2,031 12	
Subvention due from the Govt.		160 0	3,304 0
6. Value of stock on hand	...	10,937 11	2,677 5
7. Goods not accounted for and damaged goods	...	196 14	22 9
8. Adjusting head	...	2,132 0	784 3
9. Total assets	...	74,403 15	21,953 3

Profit and Loss Account.

	Rs.	A.	P.	Rs.	A.	P.
Loss—						
1. Yarn commission paid to societies...	230	0	0			
do. due ...	39	1	0			
Excess refunded ...	5	1	0			
Deficit in Calicut depot on 1-11-36 ...	274	15	0			
				549	1	0
Net profit ...	...			+1,747	5	0
Profit—						
1. Interest earned.						
1 (*a*) Realized ...	212	6	0			
Add—						
Interest accrued, but not overdue ...	199	1	0			
	411	7	0			
Deduct—						
Interest accrued at the end of the previous year ...	2	2	0			
Net ...	409	5	0	409	5	0
2. Gross profits as per trading account ...	...			922	5	0
3. Miscellaneous income—						
i. Amount realized ...	1,008	5	0			
Deduct—						
ii. Amount pending realisation at the end of the previous year ...	43	9	0	964	12	0
Total ...	...			2,296	6	0

	Rs.	A.	P.
Note :—1. Net profit as per Statement No. II ...	1,747	5	0
Net amount or total available for distribution as per Profit & Loss statement ...	1,747	5	0

Appendix F G—1]

SUBJECT .....

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Section 6S

File No. 49-37

Serial No. 3.

Diary No. of letter replied to.....

No. 28187

To The Director of Ite

General and Revenue Secretariat

( )

the *193* .

Date of issue 22-4-38

Signed by .....

List of enclosures.....

Copied by .....

Examined by.....

Sir

With reference to your letters No M4-129/37-38 dated the 22nd & 28th Nov 1937 re the formation of Central Weavers' Cooperative Society to help handloom weavers in the State, I am directed to state that according to Rule 2 of the rules under the Mysore Cooperative Societies Act the loan granted to any society should not exceed five times of the paid up share capital of the society at the time of the issue and during the paid up capital two years thereafter. The number of annual

instalments in which the loan is to be repaid and the basis on which it is held that the Society will be able to repay the loan to Govt within the prescribed period has not been stated. I am to request that information on these points may be furnished

As regards the establishment charges I am to state that they seem to be excessive. I am to enquire whether, apart from the demonstrator on Rs 50/- who is proposed to be placed at the disposal of the Society out of the Sanctioned establishment of the Department, it is not possible to absorb some more demonstrators and a part of the establishment of the Weaving Institute in this scheme, as it develops.

I am to request that the matter may kindly be treated as urgent

I have etc ..

Vice I. S. C.

GOVERNMENT OF HIS HIGHNESS THE MAHARAJA OF MYSORE

General and Revenue Secretariat

Bangalore, Dated, 21st April *1938*

No. D8187/CS.49-37-3

From

The *Secretary to the Government of His Highness the Maharaja of Mysore,*
Local Self-Government Department.

To

The Director of Industries and Commerce in Mysore,
Bangalore.

Sir,

With reference to your letters No.M4-129/37-38 dated the 22nd and the 28th November 1937 regarding the formation of a Central Weavers' Co-operative Society to help handloom weavers in the State, I am directed to state that according to Rule 28 of the rules under the Mysore Co-operative Societies Act the loan granted to any society should not exceed five times the paid up share capital of the society at the time of the issue and twice the paid up capital two years thereafter. The number of annual instalments in which the loan is to be repaid and the basis on which it is held that the society will be able to repay the loan to Government within the rescribed period has not been stated. I am to request that information on these points may be furnished.

As regards the establishment charges, I am to state that they seem to be excessive and a whole-time establishment at least in the initial stage is unnecessary. I am to enquire whether apart from the demonstrator on Rs.50/- who is proposed to be placed at the disposal of the society out of the sanctioned establishment of the Department of Industries and Commerce, it is not possible to absorb some more demonstrators and [illegible] blishment of the Weaving Institute in this scheme, [illegible] lops.

I am to request that the matter may kindly be treated as urgent.

I have the honour to be,
Sir,
Your most obedient servant,

Secretary to Government,
L.S.G. Department.

C-S-49-37-4

Tele { Phone No.—2004. / Grams—INDUSCOM.

In reply please quote number, date & short title

GOVERNMENT OF MYS...

DEPARTMENT OF INDUSTRIES AND COMMERCE.

62/6376

FROM (Name) M. S. Ramchendra Rao, Esq., B.A.,

(Designation) Director of Industries and Commerce in Mysore,

Station Bangalore.

GEN. & REVENUE SECRETARIAT. 12 MAY 1938 DEVELOPMENT BRANCH.

To

M. Venkatanaranappa, Esq., B.A.,
Secretary to the Government of Mysore,
Development Department, Bangalore.

No. M4-129/37-38

Dated 10th May 1938.

Enclosures...one.....

.....

SIR,

Formation of a Central Co-Operative Society to help the hand-loom weavers in the State

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With reference to your letter No.D.8187-C.S.49-37-3 dated 21/22nd April 1938 on the above subject I have the honour to state that the restrictions laid down in rule No.28 of the Rules Under Mysore Co-Operative Societies Act seem to be mainly intended to apply in the case of primary co-operative societies. The Government assistance contemplated in the Co-Operative Rules is to enable primary societies in Rural parts to be placed on a working basis which they would not otherwise be able to do if they had to depend upon their own resources. The assistance I have proposed in the case of the Central Society for financing affiliated prima societies of weavers is of a special nature and has to be outside the scope of the co-operative rules. Such special consideration has in a certain measure been shown to the Bangalore City hand-loom weavers society by Government guaranteeing the society's borrowings from the Mysore Bank.

2. The Bye-laws of the proposed society have also been prepared

on the lines of the Madras Hand-Loom Weavers Provincia Society, and are submitted herewith for the information of Government. The bye-law No.13 thereof contains provisions regarding borrowing power by the proposed provincial society which restricts the total borrowings to five times the paid up share capital. In view of the fact that it is likely that more than Rs.5,000 will be subscribed as share capital in the beginning, the loan of Rs.25,000 asked for will be well within the intentions of the bye-law.

3. The concessions asked for in this case as detailed in my letter of even number dated 22nd November 1937 may therefore be kindly granted The loan of Rs.25,000 asked for will be repaid in ten annual instalments commencing from the 6th year after the date of sanction of this loan.

4. As regards staff, I have made every effort to keep the cost down to the minimum. It is in the initial stages of the experiment, that greater vigilence is necessary and it would be false economy to start or the work with inadequate staff.

5. I have once again examined my proposals and find myself unable to suggest any reduction. I therefore request you to kindly obtain sanction of Government for the staff proposed in my original letter.

6. In this connection I may state that for a long time past I have been ready with all preliminaries completed, only awaiting the sanction of Government to my proposals to put the scheme into operation. I therefore earnestly request that Government may be pleased to sanction my proposals at a very early date.

I have the honour to be
Sir
Your most obedient servant

M Ramachandran

Director.

Appendix F G—1]

SUBJECT 64

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Section 6f

File No. 49-37

Serial No. 5

Diary No. of letter replied to.....

No. D 8888 encl 1

To The Registrar bs.

General and Revenue Secretariat

( )

the *193* .

Date of issue..... para 6 of NDs 26-5-38

Signed by ..... W C S

Sir

With reference to the correspondence unofficial Note ending with your ~~letter~~ No 5241 dated the 6th Jan 1938 in the matter of the formation of a Central Handloom Weavers' Cooperative Society. I am directed to forward herewith a copy of the draft bylaws for the proposed Society received from the Dir Ind and to request you to kindly peruse them bylaws and furnish your remarks thereon at an early date

The bylaws sent herewith may kindly be returned with your reply

I have

WCS

& Secy

List of enclosures.....

Copied by .....

Examined by.....

WD 0521—GPB—30,000—12-3-37

GOVERNMENT OF HIS HIGHNESS THE MAHARAJA OF MYSORE

General and Revenue Secretariat

Dated, Bangalore, 25th May *19*38.

No. W 8888 / CS. 49-37 s-26 65

From Encl-1

The *Secretary to the Government of His Highness the Maharaja of Mysore,*
Local Self-Government Department.

To

The Registrar of Co-operative Societies
in Mysore, Bangalore.

Sir,

With reference to the correspondence ending with your un-official Note No.5241 dated the 6th January 1938 in the matter of the formation of a Central Handloom Weavers' Co-operative Society, I am directed to forward herewith a copy of the draft bye-laws for the proposed society received from the Director of Industries and Commerce and to request you to kindly scrutinise them and furnish your remarks thereon at an early date.

The bye-laws sent herewith may kindly be returned with your reply.

I have the honour to be,
Sir,
Your most obedient servant,

Secretary to Government,
Local Self-Government Department.

jgn/2.

No. 10205 C. S.

GOVERNMENT OF MYSORE.

CS 49-37-6

DEPARTMENT OF CO-OPERATION.

OFFICE OF THE REGISTRAR OF CO-OPERATIVE SOCIETIES IN MYSORE.

Telegraphic Address: "CO-OPERT" Bangalore

Dated Bangalore, 30th May 1938.

31 MAY 1938 GOVT OF MYSORE

FROM

M. ABDUL HUKH, Esq., B.A.,
Registrar of Co-operative Societies in Mysore,
BANGALORE.

GEN. & REVENUE SECRETARIAT. DEVELOPMENT BRANCH.

CS 49-37-6

To

P.H.Krishna Rao, Esq., M.A.,
Secretary to the Government of Mysore,
Local Self-Government Department, Bangalore.

6376

Sir,

With reference to your letter No.8888/C.S.49-37-5 dated 25th/26th May 1938 forwarding for remarks a copy of the draft byelaws of the proposed Central Hand Loom Weavers' Co-operative Society, Ltd., prepared by the Director of Industries and Commerce in Mysore, I have the honour to state that the byelaws contain many inherent defects which could have been avoided if the preparation of the Byelaws had been left to this Department instead of being taken up by the -- Director of Industries and Commerce. In fact some of the provisions are opposed to the provisions of the Mysore Co-operative Societies' Act and Rules and to co-operative principles. I have therefore taken up the preparation of the byelaws afresh and shall submit the same in the course of this week. The copy of the byelaws sent by you will be returned along with the Byelaws that I have undertaken to frame.

I have the honour to be,
Sir,
Your most obedient servant,

Registrar.

L.S.30/5.

The main file was received after issue. The receipt of the remarks of the Registrar on the byelaws will be awaited

31/5/38

GEN. & REVENUE SECRETARIAT. DEVELOPMENT BRANCH.

GOVERNMENT OF MYSORE.

No. 2719 C. S.

Copy of Bye laws

Telegraphic Address: "CO-OPERT" Bangalore

DEPARTMENT OF CO-OPERATION.

OFFICE OF THE REGISTRAR OF CO-OPERATIVE SOCIETIES IN MYSORE.

Dated Bangalore, 23rd August 1938.

GEN. & REVENUE SECRETARIAT. 24 AUG 1938 DEVELOPMENT BRANCH.

FROM

M. ABDUL HUKH, ESQ., B.A.,
Registrar of Co-operative Societies in Mysore,
BANGALORE.

To

P.H.Krishna Rao, Esq., M.A.,
Secretary to the Government of Mysore,
Local-Self Government Department, Bangalore.

Sir,

In continuation of my letter No.10205/C.S.dated 30th May 1938, I have the honour to forward herewith a copy of the byelaws of the proposed Provincial Hand Loom Weavers' Co-operative Society, Ltd., as prepared by me and to state as follows:-

Some of the defects in the Byelaws proposed by the Director of Industries and Commerce as detailed below have been set right and the byelaws suitably changed.

(i) In the byelaw No.3, it has been proposed that one of the objects of the Provincial Society should be to grant advances to affiliated societies. As the grant of loans and advances to societies is the function of the Apex Bank, the Provincial Weavers Society should arrange for the whole sale-purchase and retail sale of raw-materials and the sale of the finished products of the affiliated societies. Hence this provision is omitted in the byelaws prepared by me.

(ii) In byelaw 6, even firms are made eligible to membership. The Act provides for the admission as members of individuals and registered societies and not firms and joint-stock concerns.

(iii) In byelaw 8, the maximum share-holding of an individual is put down as 200 shares of Rs.25/- each. This is contrary to Section 6(b) of the Mysore Co-operative Societies' Act which fixes a maximum share-holding of Rs.1,000/- only. There is also a provision for compelling societies to purchase shares. There should be no compulsion in Co-operation.

(iv) In byelaw 9, transfer of shares to a person who may be -

68

be admitted as a member is provided for. This is contrary to Section 14 of the Mysore Co-operative Societies' Act according to which transfer can be made only to a member or the society.

(v) In byelaw 14, only persons holding 20 shares are made eligible to serve as Directors. This is against the Co-operative principle.

(vi) In byelaw 15, triennial election to the Directorate is provided for. This is not proper. Annual election is the rule.

(vii). In byelaw 32, cash advances are provided for. They are not desirable; only advances against stock of finished products should be provided for.

I have revised and amplified the byelaws consistently with our requirements. The byelaws copy prepared by the Director and received from Government is returned herewith.

I have the honour to be,
Sir,
Your most obedient servant,

Registrar.

L.S.19/8.

Byelaws of the Mysore Hand-Loom Weavers' Provincial Co-operative Society,Ltd., Bangalore City.

(Registered under the Mysore Co-operative Societies Act No.VII of 1918).

Name.

1. The name of the society is the Mysore Hand-Loom Weavers' Provincial Co-operative Society,Ltd., Bangalore City.

Address.

2. The registered address of the society is Bangalore City and its operations shall extend to the whole of the Mysore State.

Note:- (i) The Mysore Hand-loom Weavers' Provincial Co-operative Society shall be referred to in the byelaws as the "Society" and a member society as an "affiliated society".

(ii) The 'Board' means the Board of Directors of the Provincial Society.

(iii) "Registrar" means "the Registrar of Co-operative Societies in Mysore".

3. The objects of the society are:-

(1) to purchase for cash or on credit such raw materials and appliances as may be required for the hand-loom industry and sell the same either for cash or on credit to the affiliated societies.

(2) to purchase and hold in common or let on hire to affiliated societies improved appliances connected with the industry.

(3) to purchase and supply the requirements of affiliated societies.

(4) to provide technical advice and assistance to members of affiliated societies.

(5) to arrange for the marketing of fabrics produced by weaver members of affiliated societies received through the said

said societies.

(6) to establish and conduct one or more Depots for sale of the finished products of affiliated societies and their members.

(7) to serve as an information Bureau of raw materials and finished products relating to the weaving industry.

(8) generally to co-ordinate the activities of the affiliated societies by getting them into touch with the market, consumers' societies and the prices prevailing; and

(9) to do such other things as are incidental or conducive to the attainment of the above objects and the improvement of the economic conditions of the hand-loom weavers.

Year and month.

4. For the purposes of the society, the year shall begin on the 1st of July of each year and end with 30th June of the succeeding year and the month shall be the calendar month.

Membership.

5. The members of the society shall consist of:-

(a) The persons who have subscribed to the application for registration; and

(b) such persons or registered weavers' co-operative societies as may from time to time become members of the society by admission under these byelaws.

6. Members must be either:-

(a) persons interested in the amelioration of the conditions of the hand-loom weavers, of not less than 18 years of age residing or carrying on business or owning immoveable properties within the Mysore State, provided they are legally capable of entering into a contract.

or

(b) Co-operative societies registered under the Mysore Co-operative Societies Act mainly for the benefit of weavers. (A

A registered weavers' society which is a member of the Provincial Society shall be termed an affiliated society).

7. (a) A person wishing to become a member of the society shall send to the Board of Directors of the society an application in writing in the form, if any, prescribed therefor together with an entrance fee of one rupee, a share fee of Rs.0-4-0 for each share applied for and a sum of Rs.10/- per share towards the first instalment on each share applied for. The application shall be considered by the Board and if the Board thinks fit, the applicant may be admitted as a member of the Society and allotted the number of shares applied for or such smaller number as they may deem fit.

(b) A Weavers' Society wishing to become a member shall send to the Board an application in writing in the form, if any, prescribed for the purpose, together with an entrance fee of Re.1/- a share fee of annas four for each share applied for and a sum of Rs.10/- per share towards the first instalment on each share applied for. The Board after such enquiry as may be deemed necessary, may, if it thinks fit, admit the society as a member and allot the number of shares applied for or such smaller number as the Board may think proper.

(c) If the application is rejected, the amount tendered with the application will be refunded to the applicant; if a smaller number of shares is allotted, the proportionate amount of share fee and first instalment of shares shall be refunded to the applicant or adjusted to his account in payment of the future share calls, if so desired by him.

(d) The same procedure shall be adopted when persons or societies who are already members of the Provincial Society apply for the allotment of additional shares, but no entrance fee need be paid in such cases, but only share fee and share instalment.

Cessation of membership.

8. (a) An affiliated society shall cease to be a member of the

the Provincial Society if (i) it is removed from membership or (ii) it is dissolved.

(b) Any other member shall cease to be a member of the society on death, insolvency, expulsion, ceasing to hold any share of the society (by withdrawal), transfer, redemption or forfeiture) and permanent removal of residence from within the limits of the Mysore State. Provided that no person or society shall be removed from the roll of members until he or it has discharged all his or its liabilities to the Society.

9. A member who permanently removes his residence from within the limits of the Mysore State shall cease to be a member from the date of the removal of his membership by the Board of Directors.

10. The Board may remove any member from membership of the society if he becomes a persistent defaulter or if the society is put to the necessity of taking proceedings against him to enforce his obligations towards the society.

11. The Board of Directors shall remove from membership any member who:-

(a) deliberately commits a serious breach of the rules or the byelaws; (b) wilfully deceive the society by false statements or fictitious documents or endeavours in any way to defraud the society; (c) is declared insolvent; (d) is convicted of any criminal offence which in the opinion of the Board, is of a serious nature; (e) becomes legally or mentally disabled; or (f) does any act which is likely to be injurious to the credit, reputation or stability of the Society.

12. Any member so removed by the Board may appeal to the general body at its next meeting against the decision of the Board and the decision of the general body shall be final.

Funds.

13. The Society will ordinarily obtain its funds from the

the following sources:-

(a) share subscriptions

(b) borrowings from Government or the Mysore Provincial Co-operative Apex Bank,Ltd., Bangalore City.

(c) fees

(d) contributions from societies.

(e) grant of subsidy or other assistance from Government and institutions interested in the amelioration of the condition of the hand-loom weavers in Mysore.

(f) other items.

Shares.

14. The authorised share capital of the society shall be - Rs.1,00,000 made up of 4,000 shares of Rs.25/- each.

15. Every member shall hold at least one share and no individual share holder (i.e., member, other than affiliated societies) shall hold more than 40 shares without the sanction of Government as required by Section 6(b) of the Mysore Co-operative Societies Act.

16. Out of the authorised number of shares viz., 4,000, the aggregate number of shares held by the individual share-holders (i.e., members, other than affiliated societies) shall not at any time exceed 2,000.

17. Individual share-holders and affiliated societies shall pay the balance of the amount of share or shares allotted to them in calls of such amounts and at such intervals as may be fixed by the Board of Directors provided however that no call shall be for a sum exceeding Rs.5/- per share and that the interval between the due dates of two calls shall not be less than two months. Members are however at liberty to pay the full value of the shares allotted to them even before being called up.

18. The transfer of shares shall be governed by the provisions of Section 14 of the Mysore Co-operative Societies' Act and

and no such transfer shall operate until sanctioned by the Board of Directors. Every transferee shall pay a fee of annas four for every share transferred. No member shall be permitted to transfer a share while indebted to the Provincial Society.

Borrowings.

19. The Board of Directors may raise loans on such terms as may be mutually agreed upon.

20. The total borrowings of the Provincial Society shall not at any time exceed ten times the owned capital i.e., the paid-up share capital plus the reserve fund, except with the special - sanction of the Registrar.

Management.

21. The management of the affairs of the Provincial Society shall vest in a Board of Directors consisting of 15 persons of whom the Director of Industries and Commerce in Mysore and the Deputy Registrar of Co-operative Societies shall be ex-officio members. Of the remaining, 5 shall be representatives of the affiliated societies, five representatives of the individual - share-holders and three shall be nominated to the Board by the Registrar of Co-operative Societies either from among members or other persons interested in the welfare of the hand-loom weavers and the development of hand-loom weaving industry. The period of their appointment shall not generally exceed one year but they shall continue to hold office till their successors are appointed. The representatives of the affiliated societies and the individual share-holders shall be elected at the annual general meeting of the society by the respective groups of share-holders from among themselves. Out of the ten elected Directors, four shall retire by rotation at each general election, two each from the representatives of affiliated societies and the individual share-

holders

share-holders and they shall not be eligible for re-election till the next annual general meeting of the society, the Directors to retire every year being determined by lot at a meeting of the - Board prior to such annual general meeting and their names being mentioned in the annual report of the society. The President of the society shall be elected by the Directors from among themselves.

(b) The Directors may whenever necessary appoint from amongst themselves a Vice-President and a Treasurer.

(c) There shall be a full time Secretary appointed by the Board on such salary as they may fix. He shall conduct the affairs of the society subject to the control and directions of the Board. The appointment of the Secretary shall be subject to the approval of the Registrar of Co-operative Societies.

(d) The first Board of Directors shall be appointed by the Registrar of Co-operative Societies.

22. The elected members of the Board shall hold office - generally for one year or until their successors are elected. A retiring member of the Board of Directors shall be eligible for re-election provided he is otherwise eligible to stand as a candidate for election.

23. (a) The Board of Directors shall meet as often as necessary to conduct the affairs of the society. A meeting of the - Board shall be held at least once in each calendar month. The quorum for a meeting of the Board shall be five. All questions before the Board shall be decided by a majority of votes. Should there be an equality of votes, the President or other member presiding shall have a second or casting vote.

(b) No member of the Board of Directors shall be present at the meeting when any matter in which he is personally interested is being discussed.

24 (a) Any casual vacancy occuring in the office of the --

the President or other elected Director, by death, resignation or any other cause shall be filled up for the unexpired term of his office by the remaining members of the Board, subject to the condition that the proportionate representation of the two - classes of members prescribed in byelaw 19, (a) is maintained. (b) a vacancy occuring in the office of a nominated Director shall be filled up by the Registrar of Co-operative Societies.

25. (a) Any member of the Board of Directors failing to attend three consecutive monthly meetings of the Board shall be deemed to have ipso-facto vacated his office, but he may, on good cause shown, be re-instated by the Board of Directors.

(b) A vacancy occuring by the resignation of the President or other Director shall take effect from the date on which the society receives the letter of resignation in its office.

(c) Any representative of an affiliated society duly elected as President or member of the Board of Directors shall cease to be such if he continues to be in default to the society of which he is the delegate for a period exceeding three months or if he ceases to be a member of such society.

26. The Board shall have power to act notwithstanding any vacancy in the membership thereof and any proceedings of the - Board shall be valid notwithstanding that it is discovered subsequently that some person who was not entitled or eligible to do so sat or otherwise took part in the proceedings.

27. In case of urgency where there may not be sufficient time to convene a meeting of the Board of Directors and in all cases in which procedure may from time to time be prescribed by the Board of Directors, the Secretary may obtain the orders of the Board of Directors by circulation of papers among themselves. But the papers should be circulated among all the Directors in office at the time. Such decisions arrived at by circulation shall be placed before the next meeting of the Board of Directors for their information. Should a

a difference arise in the course of such circulation, the matter should not be decided by circulation but shall be placed before a meeting of the Board.

28. The President or in his absence the Vice-President, if one has been appointed, or if both are absent, a member elected by the meeting shall preside over the meetings of the Board and the general body.

29. The entire executive authority of the society shall be vested in the Board of Directors.

30. Subject to such resolutions as the Board of Directors may from time to time pass, the several officers of the society shall have the powers mentioned below:-

(a) The President shall have a general control over the affairs of the society. He shall have powers to grant leave to members of the establishment of the society (excepting the Secretary) not exceeding one month at a time and appoint substitutes for the conduct of the work. He shall also have power to fine, suspend or dismiss them subject , in the last two cases, to the approval of the Board of Directors.

(b) The Secretary shall be responsible for the executive administration of the society subject to the control of the President and the Board, and have custody of all the records and property of the society.

(c) Any account current or cash-credit or savings-bank or thrift deposit or other account opened in the name of the society shall be operated on by the Secretary and the President jointly; or the Secretary and the Vice-President jointly or the Secretary and the Treasurer jointly.

31. The duties of the Board of Directors shall include the following:-

(a) to deal with applications for membership and allot shares.

(b) to

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(b) to raise funds subject to the byelaws

(c) to appoint salaried and non-salaried officers and other employees as the work and interest of the society require and funds permit and fix the amount and nature of security, if any, to be given by the employees of the society.

(d) to delegate to the Secretary such duties or powers as the Board may deem fit or proper.

(e) to maintain or cause to be maintained such accounts or registers as the Government or the Registrar may prescribe from time to time.

(f) to prepare statements of accounts which shall include an abstract of receipts and payments classified under different heads, and a balance-sheet showing the assets and liabilities and a Profit and Loss account at the end of each financial year and publish the same in such manner as may be prescribed from time to time.

(g) to arrange for the purchase of raw materials, for dyeing the yarn etc., and for the sale of finished products.

(h) to arrange for the inspection of the looms belonging to the members from time to time.

(i) to deal with all classes of arrears and failure to observe the obligations undertaken.

(j) to make arrangements for the efficient inspection and audit of accounts of the affiliated societies and for their proper working.

(k) to transact all other business incidental to the management of the society.

32. The Board of Directors shall have power:-

(a) to inspect and to ascertain by enquiry by deputing one or more of their members or any person authorised by them, if the affiliated societies are working on proper lines and to point out to them the defects in their working and

(b) to call for any information, statement or returns, concerning the working of affiliated societies. The societies

societies concerned shall be bound to give all facilities for inspection and furnish the informations, statements or returns called for.

33. The services of the members of the Board of Directors shall be gratuitous except that they may receive travelling allowance and sitting fee that may be fixed by the General Body.

34. It shall be competent to the Board of Directors to frame subsidiary byelaws for the conduct of the business of the Provincial Society consistent with the Act, the Rules under the Act and these Byelaws. Such subsidiary byelaws shall be entered in the Minute Book of the Provincial Society and they shall be reported to the Registrar of Co-operative Societies, for approval.

35. The ultimate authority in all matters relating to the administration of the society shall be the general body of the members who shall meet from time to time and at least once a year to conduct the work of the Provincial Society. The General Body shall consist of (1) individual members and (2) representatives of member societies. Each affiliated society being a member of the Provincial Society shall, at its general meeting, appoint a delegate; vacancies among delegates shall be filled up in the same manner. A delegate ceasing to be a member of his society shall cease to be its delegate. Every delegate shall hold office for a period of one year or until his successor shall have been appointed; provided that it shall be competent to any affiliated society at any time to remove its delegate and appoint another. Each individual member and each representative of a member society shall have only one vote.

36. The following among other matters shall be dealt with by the general body:- (i) the election and removal of the elected members of the Board of Directors;

(ii) the Annual Report due to the Registrar of Co-operative Societies;

(iii) the Registrar's annual audit certificate;

(iv) the amendment or repeal of any existing byelaw or the

the enactment of a new byelaw;

(v) the expulsion of a member; and

(vi) the returns that may be prescribed by the Registrar.

37. A meeting of the general body of the members may be convened whenever necessary for the conduct of the business by the Board of Directors and shall be so convened by the Board of Directors at the request of one-fourth of the members or at the instance of the Registrar.

38. The quorum for a General Body meeting shall be 15 or one-fourth of the total number of members on the list at the time whichever is less.

39. All questions shall be decided by a majority of votes of the members present and voting. When the votes are equal, the Chairman of the meeting shall have a casting vote.

40. Fifteen days' notice shall ordinarily be given to members before a meeting of the General Body is convened.

Purchase and Sale.

41. The Board may arrange for the purchase for cash or on credit, of raw materials and appliances required by the affiliated societies for the hand-loom weaving industry and for their sale to them for cash or on credit on such terms as they may deem fit in each case, provided however that no sales shall be made on credit for a period exceeding three months and provided further that steps are taken for the recovery of the amounts due, soon after default. They may also arrange for the dyeing of the yarn and silk and for the sale of such dyed yarn and silk. They may arrange to purchase from affiliated societies all their finished products on such terms as to them may appear to be reasonable and to sell or dispose of them for sale to the best advantage. If the affiliated societies so desire, their finished

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finished products may be placed with the Provincial Society for sale on commission, the rate of commission, and other charges payable being determined in accordance with the subsidiary rules that may be framed by the Board in this behalf. It shall be the duty of the Board to see that when cash payments are made by the Provincial Society to the affiliated societies, the previous dues, if any are generally got adjusted.

42. The Board shall lay down the rules to regulate the advance or sale of raw materials or appliances to the affiliated societies and the recovery of the cost of the same from the societies concerned and they should in particular fix the value of raw materials or appliances that may be outstanding at a time against an affiliated society, each case being considered on merits and they may revise these limits from time to time, according to circumstances.

43. Every affiliated society shall be generally bound to purchase all or any of the raw materials or appliances required by it from the Provincial Society and shall be bound to carry on its work in conformity with the instructions or rules issued by the Provincial Society.

Money advances against finished product.

44. The Board shall be competent to make money advances to affiliated societies on the security or pledge of finished products but such advances shall not exceed 75 per cent of the market value of the finished products lodged in the Provincial Society. The terms of repayment of such advances shall be determined by the Board in accordance with the subsidiary rules framed by them in this behalf.

Joint purchase.

45. The Board shall be competent to pool the requirements of the members of the affiliated societies and effect wholesale purchase

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purchases of such articles and distribute the same among the affiliated societies.

Profits.

46. The net profits of the Provincial Society as declared by the Registrar year after year shall be disposed of as shown below:-

(i) twenty-five per cent shall be credited to the reserve fund.

(ii) out of the balance, such amount as may be decided upon by the general body, may be distributed as dividend to the members subject to a maximum of 7½ per cent per annum on the paid up value of each share.

(iii) out of the remainder, such amount not exceeding 25 per cent of the net profits as may be decided by the general body may be divided among affiliated societies according to the value of (a) the purchases effected by them from the Provincial Society and (b) the finished products sold to the Provincial Society.

(iv) out of the remainder, a sum not exceeding 15 per cent of the net profits as may be resolved upon by the general body may be set apart as charity fund or utilised for the benefit of the hand-loom industry or to improve the mental, moral and economic condition of the hand-loom weavers;

(v) the balance if any may be utilised for the following purposes as may be decided by the general body.-

(i) payment of a bonus to the establishment
(ii) building up a dividend equalisation fund
(iii) building up a reserve for bad debts
(iv) carried to the reserve fund or carried forward to the next year.

Reserve Fund.

47. The Reserve Fund shall belong to the Provincial Society as a whole and no member can claim a share in it. It shall be invested in such manner as the Registrar of Co-operative Societies may prescribe and shall not be drawn upon except with his

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his sanction.

48. With the previous sanction of the Registrar the loss in any year incurred by the society whether on account of bad debts written off, depreciation of stock or otherwise may be met from the Reserve Fund, provided that no dividend on the shares is paid that year.

49. On the dissolution of the Provincial Society, the Reserve Fund and other surplus funds of the society shall be disposed of or may be applied in such manner and to such purposes not inconsistent with the Act and Rules as may be determined, with the approval of the Registrar, by the majority of the members.

MISCELLANEOUS.

50. No amendment to, alteration in, or cancellation of, a byelaw nor the enactment of a new byelaw shall be made except at a meeting of the general body of members or shall take effect until it shall have been approved by the Registrar.

51. Should any doubt arise as to the construction or interpretation of the Act or any byelaw, the Board of Directors shall refer the same to the Registrar of Co-operative Societies for advice and such advice shall be final and binding.

52. The Provincial Society shall prepare annually in such form as may be prescribed by the Registrar (a) a statement showing the receipts and disbursements for the year, (b) a trading account (c) a profit and loss account, (d) a balance sheet, and (e) such other statements as may be prescribed by the Registrar.

These statements shall be made up to 30th June and a copy of each shall be sent to the Registrar within a month after the close of the Co-operative year ending 30th June. After the Registrar has verified the statements and granted his audit - certificate, the Provincial Society shall publish such of the

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the statements as he may direct in the manner prescribed.

53. When by these byelaws it is provided that written notice shall be given to any member, the delivery of such a notice at the house at which such member ordinarily resides or posted to the address registered in the office of the society shall be sufficient service of notice.

54. The society shall sue and be sued in the name of the society represented by its Secretary.

L.S.22/8.

Registrar.

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BYE-LAWS

OF THE MYSORE HAND LOOM WEAVERS PROVINCIAL CO-OPERATIVE SOCIETY, Ltd.,

(Registered under the Co-operative Societies Act No.....of.....)

Name, constitution and address.

The Mysore Hand-Loom Weavers Provincial Co-operative Society, Ltd., is registered under the Mysore Co-operative Societies Act No.....of..... Its address shall be..... ..... Its operations shall be confined to the Mysore State.

It will be referred to in these bye-laws as "The Provincial Society".

2. A Society in these bye-laws means a Co-operative Society, a Primary Society or a District Society registered under the Mysore Co-operative Societies Act.....and admitted as a member of the Provincial Society. A member includes a Society unless the contrary appears from the context. A member society will be referred to in these bye-laws as an affiliated Society.

3. The object of the Provincial Society is the organisation of the Hand-loom industry on a commercial basis in the area of operations mentioned in bye law No.I and the expansion of the markets for hand loom fabrics. For the purpose of attaining this objects it shall be competent for the Provincial Society:-

(1) to raise the money required by issue of shares and by borrowing;

(2) to purchase for cash or credit such raw materials and appliances as may be requir-

required for the industry and sell the same either for cash or credit to the affiliated societies;

(3) to grant advances to affiliated societies;

(4) to purchase and hold in common or let on hire improved appliances connected with the industry;

(5) to provide technical advice and assistance to members of affiliated societies;

(6) to purchase and supply the requirements of its affiliated societies;

(7) to arrange for the marketing of fabrics produced by weaver members of the affiliated societies;

(8) to establish and conduct one or more depots for the sale of the products of societies;

(9) to do such other acts as may help the development of the hand-loom industry or improve the economic conditions of Weavers.

(10) to receive contribution for such purposes and carry on the objects of the contributions.

Membership.

4. The liability of the members of the Provincial Society shall be limited to the share capital subscribed by them.

5. The authorised capital of the Provincial Society shall be Rs.1,00,000 devided into 4,000 shares of Rs.25/- each. Of these shares not more than one third shares may be allotted to applicants other than societies.

6. Any person over 18 years of age, who is competent to contract residing within the limits referred to in the third sentence of ~~Byelaw~~ Bye-law I, and who sympathises with the lot of the hand loom weavers and any firm ~~managed~~ engaged in the production, distribution or sale of raw materials required by hand loom weavers

the benefit of weavers. shall be eligible or admission as a member,; but no person, firm or society can claim admission as a matter of right.

7. Application for admission and for allotment of shares should be made to the Secretary in the form, if any, prescribed for the purpose. Every such application should be sent along with ~~the full amount of the share money viz Rs.25/- per share and~~ an entrance fee of 4 annas per share at the time of taking share provided the total payment of entrance fee by any one member for all the shares held by him shall not exceed Rs.5/-. The Board of Directors shall have power to grant admission or to refuse it without assigning reasons.

8. Every member shall take at least one share but no individual member shall take more than 200 shares. A society shall invest as much of share capital as the Board of Directors may determine from time to time; but in no case can a society be asked to invest more than the share capital held by it by its own members.

9. No member shall be permitted to transfer any share held by him unless the transferee be a member or some person whom the Board of Directors is willing to admit as a member and provided in any case that the transfer of shares shall not be operative unless and until it is sanctioned by the Board of Directors. No member shall except with the permission of Board of Directors be permitted to withdraw any share or shares held by him.

10. The Provincial Society will ordinarily obtain

obtain funds from the following sources:-

(1) Share subscriptions.

(2) Borrowings.

(3) Fees.

(4) Grant or subsidy or other assistance from Government and other institutions.

11. The value of each share shall be paid in one lump sum, on allotment.

12. The Board of Directors may raise loans on such terms as may be mutually agreed upon and give security therefor.

Maximum Borrowing Limit.

13. The total borrowings of the Provincial Society shall not at any time exceed five times the paid up share capital and the Reserve Fund. But any sums borrowed on the security of finished products definitely pledged to and placed in the custody of the creditor shall not be restricted to the said limit of five times the sum of the paid-up share capital and the Reserve Fund.

Management.

14. Subject to such resolutions as the General Body may pass from time to time the executive managements of the affairs of the Provincial Society shall vest in the Board of Diredtors. The Board shall consists of 10 members including (1) The Director of Industries and Commerce in Mysore (2) The Deputy Registrar of Co-operative Societies (3) Three representatives of Primary or member societies and 5 members representing the individual shareholders and firms holding not less than 20 shares other than affiliated societies. The President and the Vice President shall be elected by the Board of Directors. The Executive

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Executive Committee shall consists of 5 members including the President, Vice President, Director of Industries, Deputy Registrar of Co-operative Societies and one member elected by the Board. There shall be a full time Secretary appointed by the Board on such salary as they may fix. He shall conduct the affairs subject to the control of the President.

15. The elected members shall hold office for a period of three years or until their successors are elected. A retiring member of the Board of Directors shall be eligible for re-election. A casual vacancy on the Board of Directors shall be filled up by the Board and the coepted member shall hold office until next general Election takes place.

16. The Board of Directors shall meet as often as necessary to conduct the affairs of the Provincial Society. The quorum for a meeting of the Board shall be five and for the Executive Committee three for a meeting. All the questions before the Board of Directors shall be decided by a majority of votes. Should there be an equality of votes, the President or the presiding member shall have casting vote.

No member of the Board of Directors shall be present at the meeting of the Board when any matter in which he is personally interested is being discussed. In case of urgency where there may not be sufficient time to convene a meeting of the Board of Directors and in all cases in which such a procedure may from time to time be prescribed by the Board of Directors, the Secretary may obtain the orders of the Board of Directors for circulation of

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of papers among the members. Such decisions arrived at by circulation shall be placed before the next meeting of the Board of Directors for their information. Should a difference of opinion arise in the course of such circulation the matter should not be decided by circulation but shall be placed before the meeting ~~the~~ of the Board of Directors.

17. Should an elected member of the Board of Directors ~~absent~~ himself from four consecutive meetings of the Board, he shall cease to be a member of the Board of Directors but may be reinstated by the Board of Directors.

17(A) The President and in his absence the Vice-President and if both are absent a member elected by the meeting shall preside over the meetings of the Executive Committee, Board and the General Body.

18. Subject~~s~~ to such resolutions as the Board of Directors may from time to time pass, the several officers of the Provincial Society shall have the powers mentioned below:-

(a) The President shall have a general control over all the affairs of the Provincial Society. He shall also have power to appoint the members of the establishment except the Secretary and the Marketing Officer as well as to fine, suspend and dismiss them subject in the last two cases to the approval of the Board of Directors.

(b) The Secretary shall be responsible for the executive administration of the Provincial Society subject to the control of the Presidents and have custody of all records and property of the Society.

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(c) Any account current or cash credit, opened in the name of the Provincial Society shall be operated on by the Secretary.

19. It shall be the duty of the Board of Directors to maintain such accounts and Registers as are prescribed by rule of the rules under the Act and by the Registrar from time to time, to place before a general Body meeting of the members, the Registrar's notes of audit or inspection, to correspond with the Registrar and to do all other business relating to the Provincial Society.

20. The Board of Directors shall be competent to appoint the necessary staff and to fix the amount and nature of the security, if any, to be given by office establishment.

21. The Board of Directors shall have power:-

(1) to inspect and to ascertain by inquiry ~~by~~ by deputing one or more of their ~~of their~~ member or any person authorised by them if the affiliated societies are working on proper lines and to point out to them the defects in their working, and

(2) to call for any information, statement or return concerning the working of the affiliated societies. The societies concerned shall give all facilities for inspection and furnish the information, statement or return called for.

22. It shall be competent to the Board of Directors to frame subsidiary bye-laws for the conduct of the business of the Provincial Society consistant with the Act, the rules under the Act and these bye-laws. Such subsidiary bye-laws shall be entered in the Minute Book of the Provincial Society and they shall be reported to the Registrar of Co-operative Societies for approval.

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23. The services of the members of the Board of Directors shall be gratuitous ~~except~~ except that they may receive travelling allowance and sitting fee that may be fixed by the General Body.

General Body. 24. The ultimate authority in all matters relating to the administration of the Society shall be the General Body of the members who shall meet from time to time and at least once a year to conduct the work of the Provincial Society. The General Body shall consist of (1) individual members and (2)representatives of the member societies. Each affiliated society being a member of Provincial Society shall, at its general meeting, appoint a delegate; vacancies among delegates shall be filled up in the same manner. A delegate ceasing to be a member of his society shall cease to be its delegate. Every delegate shall hold office for a period of three years or until his successor shall have been appointed; provided that it shall be competant to any affiliated society at any time to remove its delegate and appoint another. Each individual member and each representative of a member society shall have only one vote.

The following among other matters shall be dealt with by the General Body:-

(i) the election and removal of the elected members of the Board of Directors.

(ii) the annual report due to the Registrar of Co-operative Societies;

(iii) Registrar's annual audit certificate;

(iv) the amendment or repeal of any existing by-law or the enactment of a new by-law;

(v) the expulsion of a member; and

(vi) the returns that may be prescribed by Government.

25. A meeting of the General Body of the members may be

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be convened whenever necessary for the conduct of the business of the Board of Directors and shall be so convened by the Board of Directors at the request of one-fourth of the members or at the instance of the Registrar.

26. The quorum for a general body meeting shall be 15 or one-fourth of the total number of members on the list at the time whichever is less.

27. All questions shall be decided by a majority of votes of the members present and voting. When the votes are equal, the chairman of the meeting shall have a casting vote.

28. Fifteen days' notice shall ordinarily be given to members before a meeting of the General Body is convened.

Purchase and Sale.

29. It shall be the duty of the Executive Committee to arrange for the purchase for cash or on credit of raw materials and appliances required by affiliated societies and for their sale to them for cash or on credit on such terms as appear to them reasonable. They may also arrange to purchase from the affiliated societies all their finished products on such terms as may be reasonable and to sell or dispose of them for sale to the best advantage. They may arrange for the sale of goods of member societies and give advances against goods pledged with them.

30. The Executive Committee shall lay down rules to regulate the advance or sale of raw materials or appliances to the affiliated societies and the recovery of the cost of the same from the member concerned and they should in particular fix the value of the raw

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raw materials that may be outstanding on credit at any time with an affiliated society. It shall be competent to the Executive Committee to alter these rules from time to time.

31. Every affiliated society shall generally purchase all or any of the raw materials of its industry from the Provincial Society.

Money Advances.

32. The Executive Committee shall be competent to make money advances to affiliated societies on such terms as may appear to them reasonable and arrang for their recovery. These terms shall be embodied in the subsidiary rules to be framed by the Board of Directors and approved by the Registrar of Co-operative societies. Finished products may be accepted as security for these advances.

Joint Purchase.

33. The Executive Committee may purchase wholesale ~~the~~ requirements of the members of the affiliated societies. Subsidiary byelaws may be framed by the Executive Committee for purposes of these purchases subject to their approval by the Registrar.

Profits.

34. The net profits of the Provincial Society as declared by the Registrar year after year shall be disposed of as shown below:-

(i) 25 per cent of the amount shall be carried to the credit of the Reserve Fund.

(ii) Out of the balance such amount as may be decided upon by the General Body may be distributed as dividend to members subject to a maximum of 7½ per cent per annum on the paid up value of each share.

(iii) Out of the remainder, such amount not exceeding 25 per cent as may be decided by the General Body may be divided among among affiliated societies according to the value of finished products delivered to the Provincial Society and of raw materials purchased from the Provincial Society;

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(iv) The balance of the profits or the a portion of the same as may be fixed by the General Body may be used for such purposes as may be decided upon by the general body to benefit the hand loom industry or to improve the economic conditions of the weavers; and

(v) The balance, if any, shall be added to the Reserve Fund.

35. (i) The Reserve Fund shall belong to the Provincial Society as a whole and is intended to meet the unforeseen losses. No member can claim a share of it. It shall be invested in such manner on the Registrar of Co-operative Societies prescribes and and shall not be drawn upon except with his sanction.

(ii) On the dissolution of the Provincial Society the Reserve Fund and other funds contributed by it under the provisions of these bye-laws shall be disposed of according to the rules framed under the Mysore Co-operative Societies Act..... of.....

Miscellaneous.

36. No amendments to alteration in, or cancellatio of, a bye-law nor the enactment of a new bye-law shall be made except at a meeting of the general body of members or shall take effect until it shall have been approved by the Registrar.

37. Should any doubt arise as to the construction or interpretation of the Act or any bye-law, the Board of Directors shall refer the same to the Registrar of Co-operative Societies for advice and such advice shall be final and binding.

38. The Provincial Society shall prepare annually in such form as may be prescribed by the Registrar (a) a statement showing the receipts and disbursements for the year, (b) a profit and loss account, (c) balance sheets and (d) such other statements as may be described by the Registrar. These statements shall be made up to 30th June and a copy of each shall be sent to the Registrar within a month after the close

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close of the co-operative year ending 30th June. After the Registrar has varified the statements and granted his audit certificates the Provincial society shall publish such of the statements as he may direct in the manner prescribed.

39. When by these by-laws it is provided that written notice shall be given to any member, the delivery of such a notice at the house at which such member ordinarily resides or posted to the address registered in the office shall be sufficient service of a notice.

40. The Society shall sue and be sued in the name of the society represented by its Secretary.

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Appendix F G—1]

SUBJECT.....

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Section 6f

File No. 49 37

Serial No. 8

Diary No. of letter replied to .....

No. 57568

General and Revenue Secretariat

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the *193* .

To- The Director Ite

Sir.

Date of issue.... 3.9.38

I am directed to invite your kind reference to this office letter No D 8187/6f 49-37-3 dated 22/4/38 calling for certain information in connection with the starting of a Central Handloom Weavers' Cooperative Society and to state that the question whether it is not possible to absorb some more demonstrators and a part of the establishment of the Weaving Institute in this scheme as it develops, which is referred to in the penultimate para of the letter

Signed by .....

List of enclosures.....

Copied by.....

Examined by .....

E&O

which advances has not been replied

to in your letter No. M4-129/37-38 dated 10-5-38 (Para 3)

I am directed to request

to kindly furnish in detail the

information called

for at a very early date

I have the

[illegible] 7-9-38

Secy. to G.I.

(Para 4)

While it is stated that the

loan was to be paid in three annual

instalments, nothing is said about

the basis on which it is held that

the Society will be able to repay the

loan within the prescribed period.

GOVERNMENT OF HIS HIGHNESS THE MAHARAJA OF MYSORE

Urgent

General and Revenue Secretariat

Dated, Bangalore, ~~2nd~~ 3rd September 1938.

No. D1568/C.S. 49-37-8

From

The *Secretary to the Government of His Highness the Maharaja of Mysore, Local Self-Government Department.*

To

The Director of Industries and Commerce in Mysore, Bangalore.

Sir,

I am directed to invite your kind reference to this office letter No. D. 8187/C.S. 49-37-3, dated 22nd April 1938 calling for certain information in connection with the startir of a Central Handloom Weavers' Co-operative Society and to state that the question whether it is not possible to absorb some more demonstrators and a part of the establishment of th Weaving Institute in this scheme, as it develops, which is referred to in the penultimate para of the letter under --- advertence has not been replied to in your letter No.M.4.129/ 37-38, dated 10th May 1938.

While it is stated that the loan would be paid in ten annual instalments, nothing is said about the basis on which it is held that the Society will be able to repay the loan within the prescribed period.

I am therefore to request you to kindly furnish in detail the information called for at a very early date.

I have the honor to be,
Sir,
Your most obedient servant,

3-9.

for Secretary ~~to~~ to Government,
Local Self Government Department.

C.S. 49-37-9

Tele { Phone No. 2004.
Grams—INDUSCOM.

In reply please quote number, date & short title

GOVERNMENT OF MYSORE

DEPARTMENT OF INDUSTRIES AND COMMERCE.

FROM (Name) M.S.Ramchendra Rao, Esq., B.A.,

(Designation) Director of Industries & Commerce in Mysore,
Station Bangalore.

To M.Venkatanaranappa, Esq., B.A.,
Secretary to the Government of Mysore,
Development Department,
Bangalore.

GEN. & REVENUE SECRETARIAT
1 SEP 1938
DEVELOPMENT BRANCH

No. M4/129/37-38.

Dated 13th September 1938.

Enclosures

SIR,

SUBJECT:- Central Handloom Weavers Co-operative Society.

With reference to your letter No.D.1568/C.S.49-37-8 dated 3rd September 1938 on the above subject, I have the honor to state that other than the one weaving Demonstrator proposed to be lent to the Society for work, it is not possible to absorb any more Demonstrators or other staff on the establishment of the Weaving Institute in this scheme in the earlier stages. Whether any more can be absorbed later on as the Society develops work,can be stated only at a later stage.

As regards the basis on which it is held that the Society will be able to repay the loan in ten annual instalments, I have to state that this is based on the expected annual turnover of the.Society and the resulting margin of profits which are expected to be sufficient to repay the loan to Government within ten years. To begin with, it is proposed to start ten primary societies and affiliate them to the Central Society. It is estimated that raw materials valued at Rs.27,460/- per month are required by these ten societies and the Central Society will supply the entire quantity. It is also expected that about ten percent of the goods of the total value of Rs.5,230/- per month produced by the

the affiliated societies, will be marketed through the Central Society. Computing at the rate of one anna in the rupee as commission for supplying raw materials and one anna for marketing the products of the primary societies, the annual income of the proposed society will be about Rs.25,000/- per year. After meeting all the recurring and other charges of the Society, the balance that will be left over, will be utilised in paying off the loan. It may be added here that during the first two years, the establishment charges are proposed to be met by grants from Government. Therefore to this extent, it will further facilitate the repayment of the loan. It may further be mentioned that in case the share subscribed to the Society is received in full, it may be possible to pay off the loan from Government much earlier than the stipulated period of ten years.

I am therefore to request you to kindly obtain early orders of Government on my proposals and communicate the same to me.

I have the honor to be,

S i r,

Your most obedient servant,

DIRECTOR.

14.9.36

ATR)2.

CS 43-37-

Tele | Phone 211—City.
Grams—Induscom.

In reply please quote No. date and brief title

DEPARTMENT OF INDUSTRIES AND COMMERCE.

4235 162

From (Name) M. S. Ramchendra Rao, Esq., B.A.,
Designation Director of Industries and Commerce
Station Bangalore.

REVENUE SECRETARIAT
7 FEB. 1938
DEVELOPMENT BRANCH.

1581 3465

To
M.Venkatanaranappa, Esq., B.A.,
Secretary to Government,
Development Department,
Bangalore.

No. M4.129/37-38. Dated the 31st January 193

Encls.
Spare copies.

Sir,

Formation of Central Handloom Weavers' Co-operative Society.

I have the honour to invite a kind reference to correspondence ending with this Office letter of even No. dated the 22nd December 1938 on the above subject and request you to kindly obtain the early orders of Government on my proposals.

I have the honour to be,
Sir,
Your most obedient servant,

DIRECTOR.

BV2

Appendix F G—1]

SUBJECT.....

.....

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Section G.S.

File No. 49-37

Serial No.

Diary No. of letter replied to .....

No. D-7071.

To The Registrar of Cs.

Sir

General and Revenue Secretariat

( )

the *193* .

Advertg to the Correspondence ending with your letter No 2719 dated 23/8/38 re the formation of a Central Handloom Weavers' Cooperative Society, I am directed to request you to discuss the question with the Secretary Member of Council when you next have occasion to ~~at your earliest convenience~~.

I have etc

Sd/-

30/8/38

Secy: L.S.G.

Date of issue 30/1/38

Signed by AM H.M.R.

List of enclosures.....

Copied by 31/8/38

Examined by.....

Issued

Copy of the above is forwarded with Compliments to the Director for information with reference to the

104

Correspondence relating with his letter No

M4 - 129/39-38 dated 22/12/38

B. O

Secy. L/G

28/1/39

GOVERNMENT OF HIS HIGHNESS THE MAHARAJA OF MYSORE

General and Revenue Secretariat

No. D 7071/C.S. 49-37 *Dated, Bangalore,* 30. 1. 1939.

From

The Secretary to the Government of His Highness the Maharaja of Mysore,
Local Self-Government Department.

To

The Registrar of Co-operative Societies in Mysore,

Bangalore.

Sir,

Adverting to the correspondence ending with your letter No.2719 dated 23rd August 1938, regarding the formation of a Central Handloom Weavers' Co-operative Society, I am directed to request you to discuss the question with the Second Member of Council when you meet him next.

I have the honour to be,

Sir,

Your most obedient servant,

30/1/39

for Secretary to Government,
Local Self Government Department

K.M.R.3.

Appendix F G—1]

SUBJECT.....

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Section b.s.

File No. 49-37

Serial No. 10

Diary No. of letter replied to .....

General and Revenue Secretariat

( )

the 193 .

Date of issue 8. 2. 39.

Signed by Mr. K. Srinivasan.

No. D. 7306/C.S.

To The Director of H.C.

Sir

With reference to the correspondence ending with your letter No 17/4-129/37-38 dated the 31st January 1939 on the starting of a Central Handloom Weavers' Cooperative Society, I am directed to request you to kindly discuss the question with the Revenue Member of Council early after his return from tour

I have the

By Order

List of enclosures.....

Copied by .....

Examined by.....

WD 0278—GPB—30,000—4-3-38

GOVERNMENT OF HIS HIGHNESS THE MAHARAJA OF MYSORE

General and Revenue Secretariat

No. D. 7306/C.S. 49-37-10 *Dated, Bangalore,* 8th February 1939.
~~D. 49-37-10~~

107

From

The Secretary to the Government of His Highness the Maharaja of Mysore,
Development Department.

To

The Director of Industries and Commerce in Mysore,
Bangalore.

Sir,

With reference to the correspondence ending with your letter No.M.4-129/37-38 dated the 31st January 1939 regarding the starting of a Central Handloom Weavers' Co-operative Society, I am directed to request you to kindly discuss the question with the Second Member of Council early after his return from tour.

I have the honour to be,
Sir,
Your most obedient servant,

Secretary to Government,
Development Department.

Aga/2.

Note on the assistance to be rendered to the Handloom weaving Industry.

In my letter No.M4-129/37-38 dated 21-11-1937, I have submitted for the consideration of Government a scheme for the formation of a Central Handloom Weavers' Co-operative Society for assisting the handloom weavers in the State. After carefully examining the question once again, I consider that it would be better and more useful to extend this assistance as a part of the Departmental activity as under such arrangement assistance can be rendered with promptitude and better and quicker results can be attained.

The Government of Bihar who have organised work on these lines have been carrying on the work with very satisfactory results in the Bihar Cottage Industries Institute.

The several directions in which the handloom weavers are in need of assistance are indicated below. With the existing weaving Demonstration Staff which is distributed over several districts in the State and is in intimate contact with the weavers, the Department of Industries is in advantageous position to take up work on the lines proposed and render effective service to the industry.

1. Supply of raw materials to the weavers at favourable prices.

Purchase of yarn in bulk direct from the Mills at favourable prices and distributing it to the weavers not only saves middlemen's charges but also frees the weavers from local "sowcars". For the work of distributing the yarn to the weavers, the services of the Weaving Demonstration Staff in the districts can be made use of.

2. Supply of sized and dyed warps.

Supply of sized and dyed warps to weavers to be put straight on the looms will save the undue time now involved in individual sizing and dyeing and lead to increased production.

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3. Arrangements for Calendering and Printing.

Arrangements to collect the products of handloom and finish them before marketing will fetch better prices for the products.

Work in respect of items 2 and 3 above can be attended to either in the Government Weaving Institute at Bangalore or by making suitable arrangements with the Mills. In this connection it is desirable that the Sri Krishnarajendra Mills should co-operate with the Department and make available the resources of the mills for supplying the needs of the handloom weavers.

4. Supply of new and attractive designs.

This can be attended to by the Department by entertaining an Expert Designer who will suggest new designs which will be easily marketable.

5. Canvassing orders and marketing products.

A Marketing Officer will be required for the purpose who will study the markets and canvas orders. Sales may be effected through the several Departmental Sales-rooms and by starting Sales- depots in a few important centres in the State.

To begin with a sum of Rs 20,000/- may be sanctioned as an advance to the Department for starting the work. As far as possible work will be carried out with the existing Weaving Demonstration Staff without incurring extra cost on establishment.

M Nanjundaiah

20th March 1939. Director.

SRS.6

Codes used—A.B.C., 5th Edn., Bentleys.

4235

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GOVERNMENT OF MYSORE.

Department of Industies and Commerce.

Mr.M.S.Ramchendra Rao,B.A.,
Director.

OFFICE OF THE DIRECTOR,
INDUSTRIES AND COMMERCE,
Camp,Kunigal,
Bangalore, dated the.....17th March 1939.

Enc. A/- Camp 6/38-39.
318

GEN. & REVENUE SECRETARIAT.
20 MAR. 1939
DEVELOPMENT BRANCH.

Dear Sir,

With reference to your D.O.letter No.D.8158 dated 15th instant, I write to express regret that it has not so far been possible for me to discuss the question of starting a Central Handloom Weavers' Co-operative Society with the Second Member of Council. But I shall do so within the next few days on return to headquarters from tour.

Yours sincerely,
M Ramchendra

M.Venkatanaranappa,Esq.,I.A.,
Secretary to Government,
Development Department,
Bangalore.

MSR:SRS.

GEN. & REVENUE SECRETARIAT.
23 MAR. 1939
DEVELOPMENT BRANCH.

23/3/39

Tele { Phone No. 2004.
Grams—INDUSCOM.

In reply please quote number, date & short title

GOVERNMENT OF MYSORE

DEPARTMENT OF INDUSTRIES AND COMMERCE.

FROM (Name) M.S.RAMCHENDRA RAO,ESQ.,B.A.,
(Designation) Director of Industries and Commerce in Mysore,
Station Bangalore.

To

M.VENKATANARANAPPA,ESQ.,B.A.,
Secretary to the Government of Mysore,
Development Department, Bangalore.

GEN. & REVENUE SECRETARIAT
25 MAR 1939
DEVELOPMENT BRANCH.

No. M4.129/37-38

Dated 24th March 1939.

Enclosures

SIR,

Subject: Central Handloom Weavers' Co-operative Society.

With reference to correspondence ending with my letter of even number dated the 31st January 1939 on the above subject, I have the honour to state that I have carefully examined the question once again and I consider that it would be better and more helpful to the handloom weavers to extend the assistance as part of the activities of this Department rather than through a Co-operative Organisation as under such arrangements, assistance could be rendered in a better and more prompt manner and quicker results can be attained. I am therefore putting forward a revised scheme for the consideration of Government.

I request that the scheme already proposed by me may be treated as cancelled.

I have the honour to be,
Sir,
Your most obedient servant

M.S.Ramchendra Rao

Director.

MSR:SRS.

Appendix F G—1]

SUBJECT .....

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Section b/

File No. 49-39

Serial No. 12

Diary No. of letter replied to .....

No. D. 8544

To The Registrar of Co.

Sir.

General and Revenue Secretariat

( )

the *193* .

With reference to the Correspondence ending with your letter No 2719 dated 23/8/38 on the formation of a Central Handloom Weavers' Co-op Society I am directed to state that the proposal be considered as dropped for the present

I have the
Jm
28/3
Secy. L.S.

Date of issue 4. 6. 1938

Signed by Mr. Ith

Memo No.D. 8545 27/8

List of enclosures.....

Copies of the above is forwarded with Compliments to the Director of Ind for his information with reference to his letter No H4-129/37-38 dated 24/3

Copied by .....

Examined by.....

B. O
Jm
28/3
Secy. L.S.

WD 0278—GPB—30,000—4-3-38

GOVERNMENT OF HIS HIGHNESS THE MAHARAJA OF MYSORE

General and Revenue Secretariat

Dated, Bangalore, ~~2nd~~ 4th April 1939.

No. B. 8544/G 49-37-12

113

From

The Secretary to the Government of His Highness the Maharaja of Mysore,
Local Self-Government Department.

To

The Registrar of Co-operative Societies in Mysore,
Bangalore.

Sir,

With reference to the correspondence ending with your letter No. 2719 dated 23rd August 1938 regarding the formation of a Central Handloom Weavers' Co-operative Society, I am directed to state that the proposals be considered as dropped for the present.

I have the honor to be,

Sir,

Your most obedient servant

Sd. P.H. Krishna Rao,
Secretary to Government,
Local Self-Government Departme

Memo. No. B. 8545 Dated, Bangalore, ~~2nd~~ 4th April 1939.

Copy of the above is forwarded, with compliments, to the Director of Industries and Commerce for information wi reference to his letter No.M4-129/37-38 dated 24th March 1939.

By order,

3/4/39

For Secretary to Government
Local Self-Government Departm

PROCEEDINGS OF THE GOVERNMENT OF HIS HIGHNESS THE MAHARAJA OF MYSORE.

114

Read:—

Government Order No.D.2433-38/C.S.11-36-105 dated the 21st September 1937 passing orders on the question of ~~xx~~ formation of a Central Co- operative Society for weavers as recommended in Chapter III of the Report of the Committee on Co-operation-

2. Letter No.M4.129/37-38 dated the 21st November 1939 from the Director of Industries and Commerce forwarding a scheme for starting a Central Co-operative Society for helping the handloom weavers in the State.

3. Letter No.2719/C.S. dated the 23rd August 1938 from the Registrar of Co-operative Societies forwarding a copy of the draft bye-laws of the proposed Provincial Handloom weavers' Co-operative Society.

4. Correspondence ending with letter No. M.4-129/37-38 dated the 10th July 1939 from the Director of Industries and Commerce ~~xx~~ submitting a revised scheme for extending assistance to the handloom weavers in the State as a part of the activities of the Industries and Commerce Department instead of through a co-operative organisation.

5. Un-official Note No.202/I.A.D.dated the 23rd August 1938 from the Comptroller to Government in the matter.

ORDER NO. D. 2002-9/1k298-38-4

Dated, Bangalore, the 6th October 1939.

The Director of Industries and Commerce reports that the Handloom weavers' Co-operative Societies in the State have not proved of much assistance to the weavers, and has submitted a scheme for assisting handloom weavers in the State(as the Handloom weavers' Co-operative Societies have not proved of much use)

He proposes that in a few selected weaving centres in the

centres in the State, the supply of raw materials at favourab rates, technical assistance and canvasing of orders ~~have~~ be done by weaving demonstrators and that an advance of Rs.20,000/- be granted to the Director to be operated upon by means of cheques on the State Huzur Treasury for purchasing raw materia at favourable rates and selling them to the weavers in the centres selected by him. It is stated that no extra staff is necessary for the purpose in the immediate future as the existing staff of the Department will be utilised for suggesting designs and patterns and also for giving technical assistance to the weavers.

The Director proposes to sell the raw materials to the weavers of the selected centres at the same wholesale rates at which the Department makes bulk purchases for cash payments and adds that the cost of transport in distributing the materials will not be much and can be met from the grant under experiments. The Comptroller however suggests that a small amount be added to the purchase price of raw materials to cover transport and other charges before issue them to the weavers. This may be done so long as the Departmental selling price of the raw materials is lower than the prices that are offered by local Sahucars.

Government are pleased to sanction the scheme as proposed by the Director with the above modification. The working of an experimental character, it may be started in about half a dozen centres to begin with. An advance of Rs.10,000/- (Rupees ten thousand) is sanctioned for the purpose, the amount being drawn as necessity arises.

As regards the accounting procedure, Government direct that, as suggested by the Comptroller, a separate Head of Account under 21 Industrial advances, styled as "Advances for supply of raw materials to hand-loom weavers" be opened at the State Huzur Treasury and other Treasuries in the State and the Director of Industries and Commerce be permitted to operate

116

erate on this account only at the State Huzur Treasury by means of cheques for purchase of raw materials etc., The sale proceeds realised by the Weaving Demonstrators, who will hold the stock of yarn etc., should be arranged to be remitted through the nearest treasury for credit to the above advance head of account once a week or as often as possible, the chellans being sent to the Director's Office the same day. Monthly statements showing the amounts credited into the Treasury and stocks statement should be obtained from the several Demonstrators and a consolidated statement thereof should be prepared in the Director's Office and sent to the Comptroller for verification.

The Director is requested to send up a report to Government on the results of the working of the scheme after it has worked for a year.

for Secretary to Government,
Development Department.

To

The Director of Industries and Commerce,

The Registrar of Co-operative Societies.

The Comptroller to Government.
through Financial Secretariat.,

~~Copy sent~~